
THIRD READING

Bill No: AB 1666
Author: Rogers (D)
Amended: 7/2/26 in Senate
Vote: 21

SENATE NATURAL RES. & WATER COMMITTEE: 7-0, 7/1/26

AYES: Becker, Seyarto, Allen, Cabaldon, Grove, Laird, Stern

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/13/26

AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 78-0, 5/27/26 - See last page for vote

SUBJECT: Forest management: biomass innovation parks: wood products

SOURCE: Net-zero California

DIGEST: This bill enacts the Biomass Innovation Parks Act, which establishes the Biomass Innovation Parks Grants and Financing Program, to be administered by the California Natural Resources Agency.

ANALYSIS:

Existing law:

- 1) Requires the Secretary of the California Natural Resources Agency (CNRA) to establish a working group on expanding wood product markets that can utilize woody biomass, especially biomass removed from high fire hazard zones, as determined by the Department of Forestry and Fire Protection. (Public Resources Code (PRC) §717)
- 2) Requires the Air Resources Board (ARB) to establish a Carbon Capture, Removal, Utilization, and Storage Program to, among other things, evaluate the efficacy, safety, and viability of carbon capture and storage and carbon dioxide

removal (CDR) technologies and facilitate the capture and sequestration of carbon dioxide from these technologies, where appropriate. (Health and Safety Code (HSC) §39741.1)

- 3) Authorizes ARB to establish an embodied carbon trading system in compliance with specified requirements. (HSC §38561.6)
- 4) Authorizes, pursuant to the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Proposition 4), \$50 million to be available, upon appropriation by the Legislature, to the Department of Conservation or CEC for projects in California that provide long-term capital infrastructure to use forest and other vegetative waste removed for wildfire mitigation for noncombustible uses that maximize reductions in GHG emissions, provide local air quality benefits, and increase local community resilience against climate change impacts. (PRC §91530)

This bill:

- 1) Establishes the Biomass Innovation Parks Act.
- 2) Defines relevant terms, including:
 - a) “Agricultural biomass residues” means crop, orchard, vineyard, or other agricultural residues, and excludes dairy manure and crops grown for the primary purpose of producing energy.
 - b) “Clean hydrogen” means hydrogen derived from a production facility and associated onsite storage and processing facilities that is solely derived from biomass feedstock and/or renewable energy sources covered under the California Renewables Portfolio Standard Program.
 - c) “Forest biomass residues” means material removed for wildfire mitigation, forest restoration projects, or the protection of public safety and infrastructure. “Forest biomass residues” does not include trees grown for the primary purpose of producing energy.
 - d) “Wood waste” means forest biomass residues or agricultural biomass residues.
- 3) Requires CNRA, in coordination with the Departments of Food and Agriculture and Forestry and Fire Protection, to identify one or more parks, as provided, on or before September 30, 2027.

- 4) Requires CNRA, in coordination with the Departments of Food and Agriculture and Forestry and Fire Protection, to develop guidelines and facilitate a planning process for the purposes of identifying parks.
- 5) Requires CNRA, in coordination with the Departments of Food and Agriculture and Forestry and Fire Protection, to develop guidelines for the purposes of soliciting proposals from eligible applicants to develop, operate, and manage a park. Require the guidelines to include all of the following requirements:
 - a) Each park shall only process wood waste that originated in California.
 - b) Each park shall only host projects that use a noncombustion technology to convert wood waste into carbon-beneficial products or end uses.
 - c) Each park shall require compliance with the air pollution regulations.
 - d) Each park shall establish a community benefits program.
 - e) Evaluation criteria that provides a preference for projects that are developed by, or in partnership with, a California Native American tribe.
- 6) Authorizes CNRA, in coordination with the Departments of Food and Agriculture and Forestry and Fire Protection, to develop guidance on the following:
 - a) The relevant state and local permitting agencies that would need to provide the requisite permits in order to site and develop a park.
 - b) Guidance for a public agency and private industry to partner on a park proposal.
 - c) Pathways for marketing park-generated products or end uses, including, but not limited to, in-state feedstock buyers for biomethane and clean hydrogen.
- 7) Authorizes CNRA to establish additional requirements relating to the planning and solicitation process.
 - a) Requires CNRA to include guidelines that allow existing facilities to submit a proposal to expand into a park.
 - b) Requires CNRA's guidelines to include a preference for projects that use mobile processing technologies.
- 8) Authorizes CNRA to perform additional activities to facilitate park identification and early-stage development, including, but not limited to, coordinating stakeholders, engaging communities, providing technical assistance, and reporting to the Legislature.
- 9) Requires CNRA, in coordination with the Departments of Food and Agriculture and Forestry and Fire Protection, to;

- a) Develop regional wood waste availability assessments.
 - b) Develop new, or support existing, public agencies to facilitate long-term forest biomass residues feedstock supply from federal government and nonindustrial private lands. This support may include, but is not limited to, technical assistance.
 - c) Adopt a tracking system to trace and authenticate forest biomass origins.
- 10) Requires the 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 for use in state-funded projects involving the construction or reconstruction of buildings.
- a) Require this strategy to prioritize wood products that achieve low embodied greenhouse gas emissions.
- 11) Requires the Council and the Department of Housing and Community Development to consider incorporating the use of wood products produced in California in housing grant programs and, if wood products produced in California are incorporated in housing grant programs, give preference to wood products produced in California by a California-based company.
- 12) Requires the California Building Standards Commission to identify and adopt new measure that incentivize wood products produced in California.
- 13) Establishes the Biomass Innovation Park Grants and Financing program, to be administered by CNRA.
- 14) Requires CNRA to deliver a report to the Legislature on or before December 31, 2027.
- a) The report shall contain information pertaining to the parks identified pursuant to 3).

Background

What is biomass? Biomass is renewable organic material that comes from plants and animals. Biomass can be burned directly for heat and energy or converted to liquid and gaseous fuels through different processes. In 2023, biomass accounted for about 5% of US energy consumption. Biomass sources include wood and wood processing waste, and agricultural crops and waste materials.

Relevance to forest health. Removing small diameter woody biomass from forests through prescribed fire or mechanical or manual means can mimic natural fire regimes to restore a healthier balance of material in the forests, improving forest health and especially resiliency to wildfires. This small diameter biomass,

however, does not have a high economic value, as its uses are limited for wood products. After being removed mechanically or by hand, the biomass is often pile burned. This pile burning releases carbon emissions that may be avoided by incentivizing the conversion of this biomass into energy via pyrolysis (the heating of organic material in the absence of oxygen) or other means. Incentivizing biomass conversion may also help forest health projects “pencil out,” by providing economic incentives to remove non-merchantable biomass from forests.

Implementing innovative and recommended strategies for forest fuel load reduction and creating end-use markets for biomass can encourage and ideally accelerate healthy forest management to prevent wildfire spread while ideally reducing greenhouse gas (GHG) emissions.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

- 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.

SUPPORT: (Verified 8/14/16)

Net-zero California (sponsor)

3point.xyz

California Forward

CDP Rural Caucus

Charm Industrial

Clean Air Task Force

County of Placer

East Bay Regional Park District

Environmental Defense Fund

Life Cycle Associates

Mariposa County Resource Conservation District

Mote Hydrogen

Northern Sonoma County Air Pollution Control District

Placer County Air Pollution Control District

RNG Coalition

Sierra Business Council

Sierra Institute for Community and Environment
The Nature Conservancy
The Watershed Research and Training Center
World Resources Institute
Yurok Tribe

OPPOSITION: (Verified 8/14/26)

Biofuelwatch
California Department of Finance

ARGUMENTS IN SUPPORT: According to the author, “California has come a long way in the response and management of large scale wildfires. We have developed a robust and well funded response system. Local communities have stepped up to increase safety by doing more vegetation management and prescribed burns, while also conducting community preparedness exercises. But one area that hasn’t received as much attention is the management of the woody waste that often serves as fuel for wildfires. This bill addresses a growing need to manage this wood waste biomass in a sustainable and economically beneficial manner. It centers California in the developing industries of utilizing wood waste for engineered wood products, green hydrogen production, and encourages consolidation of currently disparate efforts. We know there is too much biomass in our natural landscapes and this bill starts us on a path to finally do something about it.”

ARGUMENTS IN OPPOSITION: In an opposition letter, Biofuelwatch writes, “[This] bill promotes costly and polluting biomass processes that do not offer climate benefits, but do promise an array of harms to public health and the environment. For instance, if technologies like ‘biomass to hydrogen’ were brought up to scale such an increase in extraction and industrial forest management to secure necessary feedstock will only exacerbate the multitude of challenges facing forest ecosystems in our state.”

Biofuelwatch investigated a proposed biomass to hydrogen project: “Driving the investigation that led to the report was the discovery by our organization that in the summer of 2024 one of the biggest timber companies in California informed state climate authorities that they were considering a US\$400 million investment in a woody biomass to hydrogen facility in Mendocino County. [...]”

Our review of these documents resulting from a publicly funded feasibility study exposed the reality that converting woody biomass into hydrogen is hard, expensive, dirty and dangerous.”

ASSEMBLY FLOOR: 78-0, 5/27/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Rivas

NO VOTE RECORDED: Celeste Rodriguez, Zbur

Prepared by: Edith Hannigan / N.R. & W. / (916) 651-4116
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**** END ****