SENATE COMMITTEE ON NATURAL RESOURCES AND WATER
Senator Josh Becker, Chair
2025 - 2026 Regular

Bill No:	AB 706	**Hearing Date:**	June 23, 2026
Author:	Aguiar-Curry		
Version:	June 18, 2026 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Edith Hannigan		

Subject: Forest Organic Residue, Energy, and Safety Transformation and Wildfire Prevention Fund Act

SUMMARY
This bill would, upon appropriation, authorize the Board of Forestry and Fire Protection to establish the Forest Organic Residue Energy and Safety Transformation program to maintain and expand biomass power generation in the state.

BACKGROUND AND EXISTING LAW
State Board of Forestry and Fire Protection (Board). In 1885, the Governor of California approved an act that authorized the appointment of a three-man State Board of Forestry, the first such body in the nation. That original Board or Commission of Forestry was abolished in 1893. In 1905, an "Act of March 18, 1905", became law, creating a new Board of Forestry and the first State Forester. In 1927, the Division of Forestry was organized.

In 1947, the original Forest Practice Act was passed by the State Legislature. Throughout the period of the 1950s and 1960s, the Board of Forestry functioned under the mandate of the 1947 Act by formulating forest policy for the state.

At the time of passage of the Z'berg-Nejedly Forestry Practice Act of 1973, the Legislature reorganized the Board and concomitantly expanded its powers and responsibilities (Public Resources Code (PRC) § 730 *et seq*.). For example, the 1973 statute changed the Board's function in relation to forest practice rules from a ratification role to an adoptive role. In addition, the present membership ratio of general public five (5), forest products industry three (3), and range-livestock industry one (1) was enacted to increase the public input into Board matters.

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.

Existing law:

1) Under the California Global Warming Solutions Act of 2006 (Health and Safety Code (HSC) §38500 *et seq*.):
    a) Establishes the California Air Resources Board (CARB) as the state agency responsible for monitoring and regulating sources emitting greenhouse gases (GHGs).
    b) Requires CARB to approve a statewide GHG emissions limit equivalent to the statewide GHG emissions level in 1990 to be achieved by 2020 (AB 32, Chapter 488, Statutes of 2006) and to ensure that statewide GHG emissions are reduced to at least 40% below the 1990 level by 2030.
    c) Prepare and approve a scoping plan to achieve the maximum technologically feasible and cost-effective reductions in GHG emissions and to update the scoping plan at least once every 5 years.
2) States it is the policy of the state that the protection and management of natural and working lands (NWL) is an important strategy in meeting the state's GHG emissions reduction goals, and the protection and management of those lands can result in the removal of carbon from the atmosphere and the sequestration of carbon in, above, and below the ground. (PRC §§9001 *et seq*.)
3) Requires the California Public Utilities Commission (CPUC) to establish a renewable portfolio standard (RPS) requiring all retail sellers, as defined, to procure a minimum quantity of electricity products from eligible renewable energy resources, as defined, so that the total kilowatt hours of those products sold to their retail end-use customers achieves 44% of retail sales by December 31, 2024, 52% by December 31, 2027, and 60% by December 31, 2030. (Public Utilities Code (PUC) §399.11)
4) Requires at least 80% of the feedstock of an eligible facility, on an annual basis, to be a byproduct of sustainable forestry management, which includes removal of dead and dying trees from Tier 1 and Tier 2 high hazard zones (HHZ) and is not that from lands that have been clear cut. At least 60% of this feedstock shall be from Tier 1 and Tier 2 HHZs. (PUC §399.20.3 (b)(1))
5) States it is the policy of the state to encourage electrical generation from eligible renewable energy sources. (Public Utilities Code (PUC) §399.20)
    a) Establishes a feed-in tariff program and market adjusting tariff program for small bioenergy renewable generators less than 5 megawatts (MW) in size (BioMAT; Article 16, Chapter 2.3, Part 1, Division 1 of the PUC).
6) Establishes the Renewable Auction Mechanism (BioRAM) procurement process for facilities that can use biofuel from vegetation management projects in areas designated as high hazard zones by the Tree Mortality Task Force (now known as the Wildfire and Forest Resilience Task Force) (Public Utilities Commission Resolution E-4770 (March 18, 2016)).

PROPOSED LAW
This bill would:

1) Name these provisions the Forest Organic Residue, Energy, and Safety Transformation and Wildfire Prevention Fund Act, or the FOREST and Wildfire Prevention Fund Act.
2) Make a statutory finding regarding the relevance of existing biomass power generation resources and revitalizing idle facilities to meeting the state's goals to reduce greenhouse gas emissions, provide clean power, improve electrical grid resiliency, protect jobs, reduce the risk of wildfire, support forest recovery efforts, improve forest resiliency, and provide waste disposal benefits.
3) Define the term "biomass" to include the materials described in PRC §40106(a): agricultural crop residues; bark, lawn, yard, and garden clippings; leaves, silvicultural residue, and tree and brush pruning; wood, wood chips, and wood waste; and nonrecyclable pulp or nonrecyclable paper materials.
4) Define the terms "BioMAT" and "BioRAM" as the respective existing programs in statute (PUC §399.20 and Public Utilities Commission Resolution E-4770 (March 18, 2016, respectively).
5) Define the term "forest biomass waste" as the byproducts of forest management for wildfire mitigation, wildfire prevention, forest resiliency, forest restoration, or the protection of public safety or infrastructure. Exclude purpose-grown crops.
6) Define the terms "FOREST fund" and "FOREST program" as the FOREST and Wildfire Prevention Fund and Forest Organic Residue Energy and Safety Transformation program, respectively.
7) Authorize the Legislature to appropriate funding from the Timber Regulation and Forest Restoration Fund or the Greenhouse Gas Reduction Fund to the Board to establish the Forest Organic Residue Energy and Safety Transformation program.
8) Establish the purpose of the FOREST program to:
    a) maintain and expand biomass power generation in the state,
    b) revitalize idle facilities for biomass power generation, and
    c) support biomass power generation facilities by creating additional capacity for power generation.
9) Establish that a facility's solid fuel biomass electrical generation is eligible for reimbursement under the FOREST program at an incentive rate determined by the Board if:
    a) The facility uses solid fuel biomass or forest biomass waste to generate electricity.
    b) The electricity is generated on or after January 1, 2027.
    c) The electricity is generated within the state and sold to a load-serving entity or industrial customer within the state, including but not limited to community choice aggregators.

10) Authorize an operator of a biomass facility to seek reimbursement by submitting an application to the Board.
    a) The application must demonstrate that the facility processes solid fuel biomass to generate electricity.
    b) The application must include supporting documentation that demonstrates the facility is a renewable-portfolio-standard-compliant retail seller.
11) Require an application to include monthly invoices that document eligible electricity generation.
12) Require the Board to review the submitted invoices and make monthly incentive payments to each applicant that is eligible for reimbursement at the incentive rate.
13) Require the Board determine, maintain, and make publicly available the incentive rate for eligible electricity generation.
14) Require the Board, when prioritizing reimbursement for eligible applications, maximize the disposition of forest biomass waste.
15) Require the Board, in consultation with the Department, ensure that an applicant receiving reimbursement operates a solid fuel biomass facility that achieves a net reduction in short-lived climate pollutants.
16) Authorize the Board to adopt emergency regulations to implement the FOREST program.
17) Establish the FOREST and Wildfire Prevention Fund in the State Treasury and continuously appropriate the money to the California Natural Resources Agency.
18) Establish the purpose of the FOREST fund is to reduce organic fuel sources that increase fire risk by providing funding for the fire fuel reduction procurement program.
19) Establish a fire fuel reduction program to provide sufficient procurement, transport, and beneficial use of forest biomass waste that reduces fuel for wildfires by up to 15,000,000 bone-dry tons of forest biomass waste per year
20) Require funding priority be granted to BioRAM and BioMAT fleets in operation on or before January 1, 2013.
21) Require that ratepayer funds not be used to fund the FOREST fund.

ARGUMENTS IN SUPPORT

According to the author's office, "California's forests, covering nearly one-third of the state, provide critical environmental, economic, and climate benefits but are increasingly threatened by wildfires, drought, and invasive species. To mitigate these risks, the state has committed to removing forest biomass waste from one million acres annually, generating millions of tons of waste each year. However, without sufficient infrastructure to process this material, much of it is either openly burned or left to decay. Both of these options produce harmful emissions, including methane, a potent greenhouse gas. AB 706 addresses this challenge by establishing the FOREST and Wildfire Prevention Fund, which will promote the sustainable utilization of biomass waste for bioenergy. This initiative will reduce wildfire risks, cut climate and air pollution, and enhance

economic opportunities in some of California's most vulnerable regions—all without increasing costs for energy ratepayers."

ARGUMENTS IN OPPOSITION

A coalition of environmental organizations writes, "AB 706 will not save the state money on community wildfire protection costs. Home hardening and defensible space work immediately around homes is the most effective way to keep homes safe during wildfire—not thinning/logging forests. California studies show that vegetation removal beyond 100 feet from homes provides no additional benefit for preventing them from burning. Forest thinning can even make fires burn hotter and faster by creating open, hotter, drier, more wind-prone conditions—increasing risks to communities.
[…]
The BioMAT and BioRAM programs produce expensive, dirty electricity that harms the climate, public health, environmental justice communities, and forest ecosystems, and increases utility cost burdens for Californians. Taxpayer dollars should be responsibly directed to real climate and wildfire safety solutions; the state should not be subsidizing costly biomass industry scams. Rather, California should invest in scaling up truly clean, affordable solar and wind energy, and home hardening and defensible space work to keep communities safe during wildfire."

COMMENTS

This bill is double referred. This bill is double referred to the Senate Energy, Utilities, and Communications Committee, with this committee being the committee of first referral. Elements of this bill under the jurisdiction of the Senate Energy, Utilities, and Communications Committee are included here for context and completeness only.

Incentivizing public safety projects and reducing reliance on fossil fuels. This bill would incentivize the removal of forest resources for wildfire mitigation, wildfire prevention, forest resiliency, forest restoration, or the protection of public safety or infrastructure by providing funding to procure, transport, and beneficially use the biomass waste generated from those projects. Timber and other forest materials removed for wildfire mitigation, forest health, and the protection of public safety and infrastructure can generate electricity through the pyrolysis of this material. This electricity can help reduce the state's reliance on fossil fuels for energy.

Mixed reviews on biomass. A coalition of organizations writing in opposition to the Assembly Natural Resources Committee notes, "While biomass energy is categorized on paper as a renewable energy source, the reality is that biomass power plants in California are much more climate-polluting than other electricity sources in California. The average greenhouse gas emission rate for CA's current electricity portfolio is about 485 pounds carbon dioxide equivalent per megawatt hour and in 2018, biomass power plants emitted more than 7x that amount.[1] California's treatment of forest feedstocks as carbon neutral is contrary to scientific opinion at the Intergovernmental Panel on Climate Change (IPCC), Environmental Protection Agency, and elsewhere who have been clear that the simplistic carbon neutrality categorization is flawed.[2]"

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[1] https://www.biologicaldiversity.org/campaigns/debunking_the_biomass_myth/pdfs/Forest-Bioenergy-Briefing-Book-March-2021.pdf

[2] IPCC Task Force on National Greenhouse Gas Inventories, Frequently Asked Questions, available at https://www.ipcc-nggip.iges.or.jp/faq/faq.html, at Q2-10 (IPCC Guidelines do not automatically consider biomass used for energy as 'carbon neutral,' even if the biomass is thought to be produced sustainably);

SUGGESTED AMENDMENTS: none

SUPPORT

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American Forest Resource Council
Anchor Pointe, LLC
Associated California Loggers
Blue Mountain Electric Company
Boos & Associates, a Professional Corporation
BurnBot, Inc.
CAL FIRE Local 2881
California Association of Resource Conservation Districts
California Biomass Energy Alliance
California Building Industry Association
California Community Choice Association
California Farm Bureau
California Forestry Association
California Licensed Foresters Association
California State Association of Counties
Coalition of California Utility Employees
Country Squire Investments, Inc.
Feather River RCD
Forest Landowners Association
Forest Products Industry National Labor Management Committee
Fresno County
Independent Energy Producers Association
Jefferson Resource Company, Inc.
Kodama Systems, Inc.
National Alliance of Forest Owners
National Association of Mutual Insurance Companies
New California Coalition
Personal Insurance Federation of California
Pioneer Community Energy
Placer County Water Agency
Resource Conservation District of Tehama County
Rural County Representatives of California
Rural Voices for Conservation Coalition
San Joaquin Valley Manufacturing Alliance
Siskiyou Economic Development
Sugar Pine Consulting LLC
Tahoe Fund

EPA Science Advisory Board, SAB Review of Framework for Assessing Biogenic CO2 Emissions from Stationary Sources (2019), at 2 (not all biogenic emissions are carbon neutral nor net additional to the atmosphere, and assuming so is inconsistent with the underlying science); Booth, Mary S, Not carbon neutral: Assessing the net emissions impact of residues burned for bioenergy, 13 Env't Rsch. Letters 035001 (2018), https://doi.org/10.1088/1748- 9326/aaac88; Sterman, John et al., Does wood bioenergy help or harm the climate?, 78 Bulletin of the Atomic Scientists 128 (2022), https://doi.org/10.1080/00963402.2022.2062933.

The Forestry & Fire Recruitment Program
The Watershed Center
TSS Consultants

OPPOSITION

Biofuelwatch
Center for Biological Diversity
Forests Forever
Green America
Little Manila Rising
Mount Shasta Bioregional Ecology Center
Natural Resources Defense Council
Northcoast Environmental Center
Natural Resources Defense Council
Partnership for Policy Integrity
Safe Alternatives for Our Forest Environment
Sierra Club California
Sonoma County Climate Activist Network (SOCOCAN!)
The Environmental Protection Information Center (EPIC)
Valley Improvement Projects (VIP)
We Advocate Thorough Environmental Review

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