AB-706 Forest Organic Residue, Energy, and Safety Transformation and Wildfire Prevention Fund Act.

(2025-2026)

Date Published: 05/24/2025 04:00 AM

AMENDED IN ASSEMBLY MAY 23, 2025

AMENDED IN ASSEMBLY APRIL 23, 2025

AMENDED IN ASSEMBLY APRIL 10, 2025

AMENDED IN ASSEMBLY MARCH 28, 2025

CALIFORNIA LEGISLATURE— 2025–2026 REGULAR SESSION

ASSEMBLY BILL NO. 706

Introduced by Assembly Member Aguiar-Curry
(Coauthor: Assembly Member Pellerin)

February 14, 2025

An act to add Article 12 (commencing with Section 4773) to Chapter 10 of Part 2 of Division 4 of the Public Resources Code, relating to forestry, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 706, as amended, Aguiar-Curry. Forest Organic Residue, Energy, and Safety Transformation and Wildfire Prevention Fund Act.

Existing law establishes in the Natural Resources Agency the Department of Forestry and Fire Protection (CAL FIRE), and ~~requires~~ *makes* CAL FIRE ~~to be~~ responsible for, among other things, fire protection and prevention, as provided. Existing law establishes the State Board of Forestry and Fire Protection in CAL FIRE to represent the state's interest in the acquisition and management of state forests and requires the board to maintain an adequate forest policy. The former Governor, Edmund G. Brown, Jr., issued Executive Order No. B-52-18 that, among other things, established a Forest Management Task Force, now known as the Wildfire and Forest Resilience Task Force, involving specified state agencies to create the action plan for wildfire and forest resilience. The executive order also established a Joint Institute for Wood Products Innovation, to be located within the state board.

Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations. The California Renewables Portfolio Standard Program requires every electrical corporation to file with the PUC a standard tariff for electricity generated by an electric generation facility, as defined, that qualifies for the tariff, is owned and operated by a retail customer of the electrical corporation, and is located within the service territory of, and developed to sell

electricity to, the electrical corporation. The PUC refers to this requirement as the renewable feed-in tariff. The renewable feed-in tariff law, in part, requires the PUC to direct the electrical corporations, collectively, to procure at least 250 megawatts of cumulative rated generating capacity from developers of bioenergy projects that commence operation on or after June 1, 2013. Pursuant to this requirement, the PUC has established and revised the Bioenergy Market Adjusting Tariff (BioMAT) program. On March 18, 2016, the PUC issued Resolution E-4770 to order investor-owned utilities to each hold a solicitation for contract with facilities that can use biofuel from high hazard zones to address an Emergency Proclamation using the Bioenergy Renewable Auction Mechanism (BioRAM) program.

This bill would establish *the fire fuel reduction program to support sufficient procurement, transport, and beneficial use of forest biomass waste to reduce fuel for wildfires by up to 15,000,000 bone-dry tons of forest biomass waste per year. The bill would establish* the FOREST and Wildfire Prevention Fund in the State Treasury, and would continuously appropriate the fund to the Natural Resources Agency ~~to reduce organic fuel sources that increase fire risk by providing funding for the fire fuel reduction procurement program, which the bill would also establish, to support sufficient procurement, transport, and beneficial use of forest biomass waste that reduces fuel for wildfires, as specified.~~ *for this program, as specified.* By continuously appropriating moneys in the fund to the agency, the bill would make an appropriation. The bill would require the fire fuel reduction program to grant funding priority to ~~BioRAM, as defined, and BioMAT, as defined, fleets,~~ *BioRAM and BioMAT fleets* in operation on or before January 1, 2031.
Vote: 2/3 Appropriation: yes Fiscal Committee: yes Local Program: no

---

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) Forest waste has accumulated dramatically across California over the last many years. The State Energy Resources Conservation and Development Commission estimates California has 47,000,000 bone-dry tons of biomass resource potential.

(b) Since Governor Edmund G. Brown, Jr., issued Executive Order No. B-52-18 on May 10, 2018, all partners, including federal, state, tribal entities, and nongovernmental organizations, have worked diligently to attempt to treat 1,000,000 acres annually to ameliorate the wildfire crisis.

(c) The Wildfire and Forest Resilience Task Force reports that as of at least 2023, the state has not yet met that goal, indicating that 727,269 acres are treated across the state.

(d) Wildfire impacts of the last several years require California to make forest recovery efforts for millions of acres of forest.

(e) According to the research of the State Air Resources Board and the United States Forest Service, wildfires release vast amounts of carbon dioxide, methane, and black carbon into the atmosphere that negate the benefits of renewable energy adoption and emissions regulations.

(f) The destruction of millions of acres of forest lands depletes natural carbon sinks, reducing the state's ability to sequester future emissions.

(g) Without proactive forest management strategies, including fuel reduction and biomass utilization, wildfires will continue to erode California's climate gains.

(h) The Joint Institute for Wood Products Innovation, an advisory committee to the State Board of Forestry and Fire Protection, reports that meeting the 1,000,000-acre treatment goal will require removal and subsequent disposal of an estimated 5,000,000 to 15,000,000 bone-dry tons of dead forest biomass waste annually from a range of vegetation management projects for forest restoration and identifies a conservative estimate that since 2018, at least 1,000,000 tons of material is stored on the landscape, with a significant amount of that accumulation accessible for removal and disposal.

(i) A report published by Bain and Company in collaboration with The Nature Conservancy, entitled "Accelerating Forest Restoration: Stimulating a Forest-Restoration Economy and Rebuilding Resilience in California's Fire-Adapted Forests" concluded that the expanded use of existing technologies, including bioenergy and sawmills, offers the most promising means of accelerating forest restoration, in addition to forest waste materials that need to be disposed of from wildfire scars to support resiliency.

(j) The current Bioenergy Renewable Auction Mechanism (BioRAM) procurement, as stated by the Public Utilities Commission, is currently allocated to all customers given that there are broad social benefits that are realized from supporting wildfire mitigation and the limited energy procurement standards of the program have been or are nearly fully subscribed.

(k) The Bioenergy Market Adjusting Tariff (BioMAT) program, created by Senate Bill 1122 of the 2011–12 Regular Session of the Legislature (Chapter 612 of the Statutes of 2012), mandates the development of 250 megawatts (MW) of small-scale bioenergy

projects using organic waste, including 50 MW from forest waste removed for wildfire mitigation or restoration. Of these targets, only 50 MW have been procured, with just 15 MW currently in operation. Despite this shortfall, the Public Utilities Commission has set a program end date of December 31, 2025, stalling the development of new projects.

(l) To meet the 1,000,000-acre-per-year goal would require California to remove 5,000,000 to 15,000,000 bone-dry tons of forest biomass waste annually, enough for the procurement of between 625 MW to ~~1875~~ *1,875* MW of bioenergy annually.

(m) Given that only 135 MW of BioRAM and BioMAT plants are operational, California must procure an additional 1,740 MW of bioenergy to get to the point of 15,000,000 bone-dry tons of forest waste removal annually.

(n) Biomass is primarily managed through open pile burning that produces significantly more emissions than biomass energy facilities. Processing biomass in a cogeneration facility reduces particulate matter emissions by as much as 98 percent, nitrous oxide (NOx) emissions by as much as 54 percent, and carbon monoxide (CO) emissions by as much as 97 percent.

(o) A study entitled “Up in smoke: California’s greenhouse gas reductions could be wiped out by 2020 wildfires” found that wildfires in 2020 negated 18 years of greenhouse gas emissions reductions.

(p) Oversight of biomass plant emissions in California is conducted by local air pollution control districts and the United States Environmental Protection Agency, which reserve issuing authority for plant operating permits known as Title V Operating Permits as part of the 1990 amendments to the federal Clean Air Act (42 U.S.C. Sec. 7661 et seq.), which requires continuous emissions monitoring for ozone, CO, and NOx.

(q) Continuously monitoring these critical parameters ensures consistent and efficient combustion in the boilers and safe air quality levels.

(r) A recent report by the Clean Air Task Force found that bioenergy creates more jobs than other renewable resources and a higher proportion of those jobs are permanent and high-paying jobs.

(s) The Governor’s California Jobs First plan calls for more bioenergy development and highlights BioMAT projects that received $30,000,000 in federal funding that would be lost if the BioMAT program is not extended. Two additional BioMAT projects have been awarded California Jobs First funding that will be wasted if BioMAT is not extended.

SEC. 2. Article 12 (commencing with Section 4773) is added to Chapter 10 of Part 2 of Division 4 of the Public Resources Code, to read:

Article 12. Forest Organic Residue, Energy, and Safety Transformation and Wildfire Prevention Fund Act

4773. This article shall be known, and may be cited, as the Forest Organic Residue, Energy, and Safety Transformation and Wildfire Prevention Fund Act, or the FOREST and Wildfire Prevention Fund Act.

4773.1. For purposes of this article, the following definitions apply:

(a) “Biomass” means the materials described in subdivision (a) of Section 40106.

(b) “BioMAT” means the Bioenergy Market Adjusting Tariff or Bioenergy Feed-In Tariff Program created pursuant to Section 399.20 of the Public Utilities Code.

(c) “BioRAM” means the Bioenergy Renewable Auction Mechanism program established in Public Utilities Commission Resolution E-4770 (March 18, 2016), Commission Motion Authorizing Procurement from Forest Fuelstock Bioenergy Facilities supplied from High Hazard Zones for wildfires and falling trees pursuant to the Governor’s Emergency Proclamation.

(d) “Forest biomass waste” means the byproducts of forest management for wildfire mitigation, wildfire prevention, forest resiliency, forest restoration, or the protection of public safety or infrastructure. Forest biomass waste does not include purpose-grown crops.

4773.2. (a) The FOREST and Wildfire Prevention Fund is established in the State Treasury, and notwithstanding Section 13340 of the Government Code, is continuously appropriated to the Natural Resources Agency for the purpose identified in subdivision (b).

(b) The purpose of the FOREST and Wildfire Prevention Fund is to reduce organic fuel sources that increase fire risk by providing funding for the fire fuel reduction procurement program established pursuant to Section 4773.3.

4773.3. (a) The fire fuel reduction procurement program is established to support 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.

(b) Funding priority shall be granted to BioRAM and BioMAT fleets in operation on or before January 1, 2031.

4773.4. *Ratepayer funds shall not be used to fund the FOREST and Wildfire Prevention Fund.*