

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 HOUSE BILL 1656

By: Morrissette

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6 AS INTRODUCED

7 An Act relating to woody biomass; creating the
8 Oklahoma Woody Biomass Energy Initiative Act of 2013;
9 making legislative findings; defining certain term;
10 creating the Woody Biomass Energy Initiative Council;
11 establishing termination date; providing for
12 membership; requiring appointments by a certain date;
13 providing for meetings, a quorum, vacancies and
14 staffing; providing for travel reimbursement; making
15 reimbursement and staffing contingent upon funding;
16 requiring the Council to comply with certain acts;
17 specifying duties; authorizing the Council to apply
18 for and use certain funds; providing for
19 codification; providing an effective date; and
20 declaring an emergency.

21 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

22 SECTION 1. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 18-409 of Title 2, unless there
24 is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Woody
Biomass Energy Initiative Act of 2013".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 18-410 of Title 2, unless there
3 is created a duplication in numbering, reads as follows:

4 A. The Legislature makes the following findings:

5 1. That Oklahoma has an abundance of biomass which is defined
6 as organic material that is available on a renewable or recurring
7 basis including:

8 a. materials, precommercial thinnings, or invasive
9 species from National Forest System lands, Department
10 of Defense lands or public lands, as defined by
11 law, that:

12 (1) are byproducts of preventive treatments or are
13 removed to reduce hazardous fuels, to reduce or
14 contain disease or insect infestation or to
15 restore ecosystem health,

16 (2) would not otherwise be used for higher-value
17 products, and

18 (3) are harvested in accordance with applicable law
19 and a state or federally approved sustainable
20 forest management plan,

21 b. plant material from nonfederal land or land belonging
22 to a Native American or Native Tribe that is held in
23 trust by the United States or subject to a restriction
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1 against alienation imposed by the United States,
2 including:

- 3 (1) feed grains,
- 4 (2) other agricultural commodities,
- 5 (3) other plants and trees harvested in accordance
6 with applicable law and a state or federally
7 approved sustainable forest management plan, and
- 8 (4) algae, and

9 c. residual material from nonfederal land or land
10 belonging to a Native American or Native Tribe that
11 is held in trust by the United States or subject to a
12 restriction against alienation imposed by the United
13 States, including:

- 14 (1) crop residue,
- 15 (2) other vegetative material including wood waste
16 and wood residues,
- 17 (3) animal waste and byproducts including fats, oils,
18 greases, and manure,
- 19 (4) gas derived from the biodegradation of solid
20 waste, and
- 21 (5) the organic portion of municipal solid materials
22 including all cellulosic residuals segregated
23 from waste material, food waste, wastewater
24 treatment plants and yard waste;

1 2. That for purposes of the Oklahoma Woody Biomass Energy
2 Initiative Act of 2013, "woody biomass" means a material derived
3 from trees, shrubs, bushes, grasses including switch grass or
4 products made from woody plants;

5 3. That the Eastern Red Cedar tree is a native tree which, due
6 to conditions, is encroaching upon ecosystems outside of its
7 historic habitat, costing the state an average of Four Hundred
8 Twelve Million Dollars (\$412,000,000.00) annually in loss of water,
9 grazing lands and wildlife habitat, fire loss and allergic illness;

10 4. The objectives of the provisions of the Eastern Red Cedar
11 Registry Board Act are to assist state and private land owners with
12 the control of the Eastern Red Cedar tree and to use the removed
13 trees as fuel for said project;

14 5. That woody biomass is a renewable energy source which can be
15 used to diversify the energy portfolio of the state when converted
16 to fuel known as biofuel;

17 6. Based on a per million British Thermal Unit (BTU) by fuel
18 type, the rates for biofuel from woody biomass averaged in 2010 Two
19 Dollars and fifty cents (\$2.50) for wood chips with forty percent
20 (40%) moisture as compared with electricity which averaged Sixteen
21 Dollars and fifty cents (\$16.50);

22 7. In order for biofuel projects to be successful, there must
23 be a sustainable supply of woody biomass;

1 8. That harvested woody biomass can be produced for use as
2 chips, pellets and other forms which have energy values higher than
3 all traditional fuel sources, with Eastern Red Cedar having a
4 considerable higher BTU value;

5 9. That nearly every state in the United States now has some
6 type of public woody biomass project operating in either pilot
7 project or full functioning form, with most focusing on the use of
8 woody biomass as an economical energy resource or as a means to
9 reduce energy costs for public facilities and state agencies; and

10 10. That in Oklahoma woody biomass could be used to reduce
11 energy costs for public facilities such as the state correctional
12 facilities and all other public facilities. The Department of
13 Corrections paid these high energy costs while at the same time
14 employees at the correctional facilities were forced to undergo
15 furloughs and staffing reductions.

16 B. There is hereby created to continue until July 1, 2016, the
17 Woody Biomass Energy Initiative Council.

18 C. The Council shall be composed of members as follows:

19 1. A member of the Oklahoma House of Representatives, appointed
20 by the Speaker of the Oklahoma House of Representatives;

21 2. A member of the Oklahoma State Senate, appointed by the
22 President Pro Tempore of the Oklahoma State Senate;

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1 3. Three members who have knowledge of woody biomass energy
2 developments appointed by the Executive Director of the Oklahoma
3 Conservation Commission;

4 4. Three members who have knowledge of woody biomass energy
5 developments appointed by the head of the Department of Natural
6 Resource Ecology and Management at the Oklahoma State University;

7 5. Two members who are engaged in the business of manufacturing
8 or selling biofuel furnaces, one member to be appointed by the
9 Speaker of the Oklahoma House of Representatives and one member to
10 be appointed by the President Pro Tempore of the Oklahoma State
11 Senate;

12 6. The Executive Director of the Department of Environmental
13 Quality, or designee;

14 7. An employee in the Forestry Services Division of the
15 Oklahoma Department of Agriculture, Food, and Forestry appointed by
16 the Commissioner of Agriculture;

17 8. The Director of the Department of Corrections, or designee;

18 9. The Director of the Oklahoma Department of Commerce, or
19 designee;

20 10. A member of the Corporation Commission, or designee;

21 11. The Executive Director of the Oklahoma Conservation
22 Commission, or designee;

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1 12. A member appointed by and representing the Natural
2 Resources Conservation Service of the United States Department of
3 Agriculture;

4 13. A member appointed by and representing the United States
5 Environmental Protection Agency; and

6 14. A member appointed by and representing the United States
7 Department of Energy.

8 D. Appointments to the Council shall be made within thirty (30)
9 days after the effective date of this act. Meetings of the Council
10 shall be held at least quarterly at the call of the chair. Members
11 shall serve at the pleasure of their appointing authorities. A
12 majority of the members of the Council shall constitute a quorum to
13 transact business, but no vacancy shall impair the right of the
14 remaining members to exercise all of the powers of the Council. A
15 vacancy on the Council shall be filled by the original appointing
16 authority. Contingent upon the availability of funding, the
17 Oklahoma Department of Agriculture, Food, and Forestry shall provide
18 staff, support and information as requested by the Council.

19 E. Members of the Council shall receive no compensation for
20 serving on the Council, but contingent upon the availability of
21 funding, shall receive travel reimbursement as follows:

22 1. State employees who are members of the Council shall be
23 reimbursed for travel expenses incurred in the performance of their
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1 duties by their respective agencies in accordance with the State
2 Travel Reimbursement Act;

3 2. Legislative members shall be reimbursed in accordance with
4 Section 456 of Title 74 of the Oklahoma Statutes; and

5 3. All other members of the Council shall be reimbursed by the
6 Oklahoma Department of Agriculture, Food, and Forestry for travel
7 expenses incurred in the performance of their duties in accordance
8 with the State Travel Reimbursement Act.

9 F. The Council shall act in accordance with the provisions of
10 the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

11 G. The Council shall:

12 1. Develop an Oklahoma Renewable Woody Biomass Energy Usage
13 Plan which will:

14 a. include appropriate harvesting and fuel burning
15 guidelines and techniques that are in compliance with
16 any laws governing the use of biomass for energy
17 production,

18 b. take into consideration all environmental quality and
19 energy standards,

20 c. include a funding plan for utilization,

21 d. identify state lands suitable for use in the
22 production of biomass, and

23 e. identify available grants, private resources and other
24 funding to implement the plan and to support the

1 implementation of findings of the Eastern Red Cedar
2 Registry relating to the development of woody biomass
3 production;

4 2. Investigate the feasibility of constructing and installing
5 woody biomass furnaces in correctional facilities operated by the
6 Department of Corrections, public schools, and other state agencies,
7 which furnaces can use woody biomass harvested exclusively within
8 Oklahoma from state and private lands;

9 3. Investigate the feasibility of using woody biomass for the
10 purpose of cogeneration or gasification methods, as well as other
11 emerging applications; and

12 4. Make recommendations to the Legislature and the Governor on
13 the findings of the Council.

14 H. The Council is hereby authorized to make application for,
15 seek and utilize any funds received including, but not limited to,
16 any state or federal funds, grants including renewable energy grants
17 available through the United States Department of Energy and the
18 United States Department of Agriculture, or private donations.

19 SECTION 3. This act shall become effective July 1, 2013.

20 SECTION 4. It being immediately necessary for the preservation
21 of the public peace, health and safety, an emergency is hereby
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1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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