

RECOMMENDATIONS OF THE S.B. 859 WORKING GROUP: EXPANDING WOOD PRODUCTS MARKETS IN CALIFORNIA

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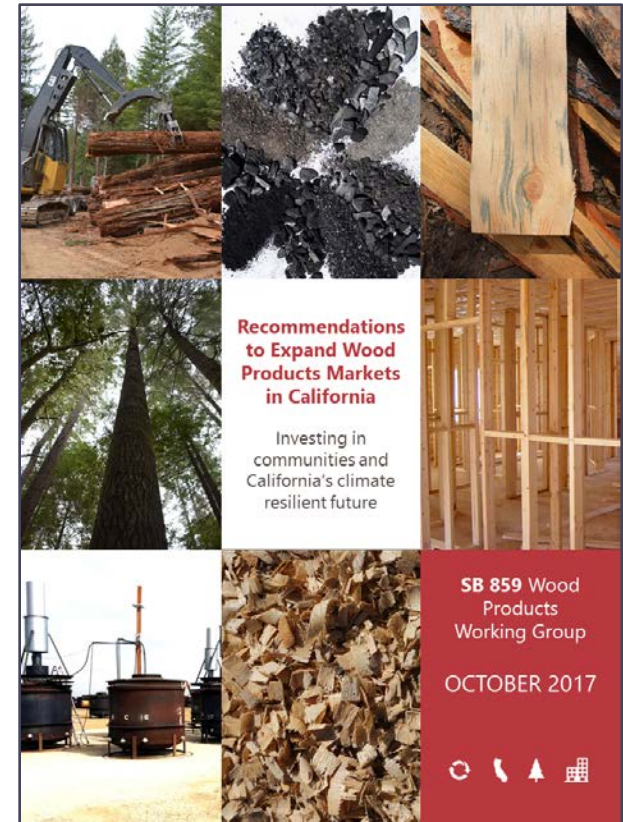
California Natural Resources Agency

November 14, 2017

2017 Western Statewide Wood Energy Team Forum


Senate Bill 859 (2016)

“The Secretary of the Natural Resources Agency shall establish a working group on expanding wood product markets that can utilize woody biomass, especially biomass that is removed from high hazard zones...”



S.B. 859 Wood Products Working Group

- State agencies & USFS

<p>Dead Tree Utilization Assessment</p> <hr/> <p>Completed for:</p> <p>CALFIRE & California Tree Mortality Task Force</p> <p>THE BECK GROUP</p>	<p> Sierra Institute for Community and Environment</p> <p>Economic Development and Wood Utilization California Communities: A Need and an Opportunity</p> <p>January 2017</p> <p>Jonathan Kusel, Nick Goulette, Camille Sw</p> <p><small>Jonathan Kusel, Ph.D., and Camille Swezy are Executive Director and Biomass respectively, at the Sierra Institute for Community and Environment. Nick Goulette is Executive Director of the Watershed Research and Training Center.</small></p> <p>Should you have questions or comments, contact Jonathan Kusel JKusel@SierraInstitute.org</p>	<p>CONFIDENTIAL – FOR INTERNAL USE ONLY</p> <p>State and Federal Policies to Support the Expansion of Wood Products Markets</p> <p>FOR THE SB 859 WOOD PRODUCTS MARKETS WORKING GROUP JANUARY 24, 2017</p> <p>California Natural Resources Agency Prepared by: Emma Johnston, Executive Fellow</p> <p>CONTENTS</p> <table><tr><td>1 INTRODUCTION.....</td><td>2</td></tr><tr><td>2 STATE PROGRAMS & POLICIES.....</td><td>2</td></tr><tr><td>3 FEDERAL POLICIES & PROGRAMS TO PROMOTE WOOD PRODUCTS INNOVATIONS.....</td><td>19</td></tr><tr><td>4 DEBT AND EQUITY FINANCING FOR WOODY BIOMASS FACILITIES.....</td><td>26</td></tr><tr><td>APPENDIX 1: OTHER POTENTIAL OPPORTUNITIES.....</td><td>29</td></tr><tr><td>APPENDIX 2: COST SHARE PROGRAMS FOR FOREST MANAGEMENT.....</td><td>38</td></tr><tr><td>APPENDIX 3: TABLE OF STATE POLICIES.....</td><td>45</td></tr></table> <p>1</p>	1 INTRODUCTION.....	2	2 STATE PROGRAMS & POLICIES.....	2	3 FEDERAL POLICIES & PROGRAMS TO PROMOTE WOOD PRODUCTS INNOVATIONS.....	19	4 DEBT AND EQUITY FINANCING FOR WOODY BIOMASS FACILITIES.....	26	APPENDIX 1: OTHER POTENTIAL OPPORTUNITIES.....	29	APPENDIX 2: COST SHARE PROGRAMS FOR FOREST MANAGEMENT.....	38	APPENDIX 3: TABLE OF STATE POLICIES.....	45
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S.B. 859 Wood Products Working Group

- Goals:
 - ✓ Utilize material from High Hazard Zones
 - ✓ Promote forest health, carbon sequestration
 - ✓ Promote rural economic development
- Guidelines:
 - ✓ Statewide
 - ✓ Non-energy
 - ✓ Sustainable businesses
 - ✓ Value-added products and distributed biomass utilization
 - ✓ Focus on bottlenecks for demand, manufacturing capacity

Recommendations

1. Remove state barriers and create pathways to success
2. Promote innovation
3. Invest in human capital

Rural Economic Development Steering Committee



Joint Institute for Wood Products Innovation

1. Barriers & Pathways

- Remove regulatory barriers – CalEPA, OPR
 - Site remediation and redevelopment
 - Accelerate use of mass timber construction
- Remove financing barriers - GOBiz
 - Information clearinghouse
 - Identify resource gaps

Proposed Pilot: Facilitate mill site redevelopment

2. Promote Innovation

- Support and utilize applied R&D
- Encourage investment in new product testing
- Promote California-grown and California-manufactured wood products
- Strengthen partnerships for innovation

Joint Institute for Wood Products Innovation

Proposed Pilot: Mass timber building competition

3. Invest in Human Capital

- Expand accredited associate degree and certificate programs
- Strengthen career pathways

*Proposed Pilot: California Conservation Corps
Wood Products Corps*

Next Steps

- Establish Working Groups
- Brief Legislative Staff
- Initiate tasks where existing statutory authorities and funding allow

Report available online:

<http://resources.ca.gov/wp-content/uploads/2014/07/Wood-Products-Recommendations.pdf>