



HB 2685: Tax Credit for Woody Biomass

House Committee On Agriculture, Land Use, Natural Resources, and Water – Josie Koehne – 2.7.2023

[HB 2685](#) provides a \$10 income/excise tax credit per bone dry ton for the certified agricultural producer or collector of biomass for biofuel or for direct bio-energy. Acceptable biomass must be produced from renewable organic material such as woody debris from harvesting or thinning conducted to improve rangeland or forest health, or for certain hardwood timber, agricultural residues, or woody debris from solid waste sites or crops grown solely for energy (possible switchgrass?). Grain corn, canola, wastewater solids, offal, and tallow are not allowed to be eligible for the credit.

We think it is a good idea to promote energy made from renewable resources and bio-degradable materials, but it is important to include enough sideboards about source material treatments, allowable distances to processing sites, and other details to assure that live trees are not cut down just to produce wood pellets or biofuels, or that would compete with lands capable of active food production. If residues are used exclusively, and the transportation distances are not too great, then this seems like a good bill. But we feel there needs to be careful attention to the details to avoiding unintended consequences.

But we must be sure to keep in mind that living vegetation (trees, cover crops) is our free, natural defense against the worsening impacts of climate change, by reducing heat (and energy needs) and absorbing CO₂ and other air pollutants from the atmosphere, improving soils and assuring future water supply.. We must assure that burning biomass does not actually add CO₂ to worsen climate conditions. Biochar might be something to research because it releases so little carbon in its production, and certain kinds of cellulose biomass are far more efficient than others in the amount of energy generated.

We need to follow the latest science to avoid making poor choices.

We read the bills and follow the money