COLORADO

Department of Regulatory Agencies

Colorado Office of Policy, Research & Regulatory Reform

2025 Sunset Review

Biomass Utilization Grant Program

October 15, 2025

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Members of the Colorado General Assembly
c/o the Office of Legislative Legal Services
State Capitol Building
Denver, Colorado 80203

Dear Members of the General Assembly:

The Colorado General Assembly established the sunset review process in 1976 as a way to analyze and evaluate regulatory programs and determine the least restrictive regulation consistent with the public interest. Pursuant to section 24-34-104(5)(a), Colorado Revised Statutes (C.R.S.), the Colorado Office of Policy, Research and Regulatory Reform (COPRRR) at the Department of Regulatory Agencies (DORA) undertakes a robust review process culminating in the release of multiple reports each year on October 15.

A national leader in regulatory reform, COPRRR takes the vision of their office, DORA and more broadly of our state government seriously. Specifically, COPRRR contributes to the strong economic landscape in Colorado by ensuring that we have thoughtful, efficient, and inclusive regulations that reduce barriers to entry into various professions and that open doors of opportunity for all Coloradans.

As part of this year's review, COPRRR has completed an evaluation of the Biomass Utilization Grant Program. I am pleased to submit this written report, which will be the basis for COPRRR's oral testimony before the 2026 legislative committee of reference.

The report discusses the question of whether there is a need for the program created under Section 317 of Article 31 of Title 23, C.R.S. The report also discusses the effectiveness of the Colorado State Forest Service in carrying out the intent of the statutes and makes recommendations for statutory changes for the review and discussion of the General Assembly.

To learn more about the sunset review process, among COPRRR's other functions, visit coprrr.colorado.gov.

Sincerely,

Patty Salazar
Executive Director

Biomass Utilization Grant Program

Background

What is biomass utilization?

Biomass utilization refers to the use of organic material to make products, such as furniture, and to produce energy.

Why was it created?

The Biomass Utilization Grant Program (grant program) was created to demonstrate the benefits of biomass utilization to:

- Prevent and mitigate wildfires,
- Increase biomass energy generation, and
- Increase the use of biochar in agriculture.

Who administers the grant program?

The Colorado State Forest Service (Forest Service) administers the grant program.

How is it administered?

The Forest Service accepted applications for grant funding from for-profit businesses and non-profit organizations, and it awarded funding to those who were involved in biomass utilization projects.

What does it cost?

The Forest Service awarded $500,000 from the Healthy Forests and Vibrant Communities Fund. No full-time equivalent employees or funding were allocated to the Forest Service to administer the grant program.

What activity is there?

The Forest Service awarded funds to 12 grant recipients, primarily for-profit businesses located in Colorado.

Key Recommendation

- **Sunset the Biomass Utilization Grant Program.**

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Background

Sunset Criteria

Enacted in 1976, Colorado's sunset law was the first of its kind in the United States. A sunset provision repeals all or part of a law after a specific date, unless the legislature affirmatively acts to extend it. During the sunset review process, the Colorado Office of Policy, Research and Regulatory Reform (COPRRR) within the Department of Regulatory Agencies (DORA) conducts a thorough evaluation of such programs based upon specific statutory criteria[1] and solicits diverse input from a broad spectrum of stakeholders including consumers, government agencies, public advocacy groups, and professional associations.

Sunset reviews are guided by statutory criteria and sunset reports are organized so that a reader may consider these criteria while reading. While not all criteria are applicable to all sunset reviews, the various sections of a sunset report generally call attention to the relevant criteria. For example,

- In order to address the first criterion and determine whether the program under review is necessary to protect the public, it is necessary to understand the details of the profession or industry at issue. The Profile section of a sunset report typically describes the profession or industry at issue and addresses the current environment, which may include economic data, to aid in this analysis.
- To address the second sunset criterion--whether conditions that led to the initial creation of the program have changed--the History of Regulation section of a sunset report explores any relevant changes that have occurred over time in the regulatory environment. The remainder of the Legal Framework section addresses the fifth sunset criterion by summarizing the organic statute and rules of the program, as well as relevant federal, state and local laws to aid in the exploration of whether the program's operations are impeded or enhanced by existing statutes or rules.
- The Program Description section of a sunset report addresses several of the sunset criteria, including those inquiring whether the agency operates in the public interest and whether its operations are impeded or enhanced by existing statutes, rules, procedures and practices; whether the agency or the agency's board performs efficiently and effectively and whether the board, if applicable, represents the public interest.
- The Analysis and Recommendations section of a sunset report, while generally applying multiple criteria, is specifically designed in response to the fourteenth criterion, which asks whether administrative or statutory changes are necessary to improve agency operations to enhance the public interest.

[1] Criteria may be found at § 24-34-104, C.R.S.

These are but a few examples of how the various sections of a sunset report provide the information and, where appropriate, analysis required by the sunset criteria. Just as not all criteria are applicable to every sunset review, not all criteria are specifically highlighted as they are applied throughout a sunset review. While not necessarily exhaustive, the table below indicates where these criteria are applied in this sunset report.

Table 1
Application of Sunset Criteria

Sunset Criteria	Where Applied
(I) Whether regulation or program administration by the agency is necessary to protect the public health, safety, and welfare.	• Profile of Biomass Utilization • Recommendation 1
(II) Whether the conditions that led to the initial creation of the program have changed and whether other conditions have arisen that would warrant more, less, or the same degree of governmental oversight.	• History of Regulation
(III) If the program is necessary, whether the existing statutes and regulations establish the least restrictive form of governmental oversight consistent with the public interest, considering other available regulatory mechanisms.	• Legal Framework
(IV) If the program is necessary, whether agency rules enhance the public interest and are within the scope of legislative intent.	• Legal Framework • Program Description and Administration
(V) Whether the agency operates in the public interest and whether its operation is impeded or enhanced by existing statutes, rules, procedures, and practices and any other circumstances, including budgetary, resource, and personnel matters.	• Legal Framework • Program Description and Administration
(VI) Whether an analysis of agency operations indicates that the agency or the agency's board or commission performs its statutory duties efficiently and effectively.	• Program Description and Administration • Recommendation 1
(VII) Whether the composition of the agency's board or commission adequately represents the public interest and whether the agency encourages public participation in its decisions rather than participation only by the people it regulates.	• Not Applicable
(VIII) Whether regulatory oversight can be achieved through a director model.	• Not Applicable
(IX) The economic impact of the program and, if national economic information is not available, whether the agency stimulates or restricts competition.	• Profile of Biomass Utilization

Sunset Criteria	Where Applied
(X) If reviewing a regulatory program, whether complaint, investigation, and disciplinary procedures adequately protect the public and whether final dispositions of complaints are in the public interest or self-serving to the profession or regulated entity.	• Not Applicable
(XI) If reviewing a regulatory program, whether the scope of practice of the regulated occupation contributes to the optimum use of personnel.	• Not Applicable
(XII) Whether entry requirements encourage equity, diversity, and inclusivity.	• Not Applicable
(XIII) If reviewing a regulatory program, whether the agency, through its licensing, certification, or registration process, imposes any sanctions or disqualifications on applicants based on past criminal history and, if so, whether the sanctions or disqualifications serve public safety or commercial or consumer protection interests. To assist in considering this factor, the analysis prepared pursuant to subsection (5)(a) of this section must include data on the number of licenses, certifications, or registrations that the agency denied based on the applicant's criminal history, the number of conditional licenses, certifications, or registrations issued based upon the applicant's criminal history, and the number of licenses, certifications, or registrations revoked or suspended based on an individual's criminal conduct. For each set of data, the analysis must include the criminal offenses that led to the sanction or disqualification.	• Not Applicable
(XIV) Whether administrative and statutory changes are necessary to improve agency operations to enhance the public interest.	• Recommendation 1

Sunset Process

Regulatory programs scheduled for sunset review receive a comprehensive analysis. The review includes a thorough dialogue with agency officials, representatives of the regulated profession and other stakeholders. Anyone can submit input on any upcoming sunrise or sunset review on COPRRR's website at coprrr.colorado.gov.

The functions of the State Forester and the Colorado State Forest Service (Forest Service), as enumerated in Section 317 of Article 31 of Title 23, Colorado Revised Statutes (C.R.S.), shall terminate on September 1, 2026, unless continued by the General Assembly. During the year prior to this date, it is the duty of COPRRR to conduct an analysis and evaluation of the Biomass Utilization Grant Program (grant program) pursuant to section 24-34-104, C.R.S.

The purpose of this review is to determine whether the grant program should be continued and to evaluate the performance of the Forest Service. During this review, the State Forester must demonstrate that the program serves the public interest. COPRRR's findings and recommendations are submitted via this report to the Office of Legislative Legal Services.

Methodology

As part of this review, COPRRR staff interviewed Forest Service staff, grant recipients, and officials from other states and federal agencies, and reviewed Colorado statutes and rules.

The major contacts made during this review include, but are not limited to:

- Colorado State Forest Service,
- Colorado Timber Industry Association,
- Oregon Department of Forestry,
- Southwest Colorado Economic Development District, and
- USDA Forest Service Rocky Mountain Region.

Profile of Biomass Utilization

In a sunset review, the Colorado Office of Policy, Research and Regulatory Reform (COPRRR) is guided by the sunset criteria located in section 24-34-104(6)(b), C.R.S. The first criterion asks whether regulation or program administration by the agency is necessary to protect the public health, safety, and welfare.

To understand the need for the program, it is first necessary to recognize what biomass utilization is and why it may be important.

Until the 19th century, the U.S. relied upon wood, a renewable energy source, as fuel for cooking, heating and lighting. Following this, the country transitioned to coal, natural gas and petroleum.[2] While the country still relies on fossil fuels, the use of renewable energy is growing. In 2023, energy produced from biomass sources, such as wood, represented 60 percent of the country's renewable energy consumption.[3]

Biomass is organic material derived from plants and animals.[4] Biomass utilization refers to the use of organic material to make products, such as furniture, and to produce energy.[5] Energy produced from biomass is sometimes referred to as biomass energy[6] or bioenergy.[7]

Organic materials, like wood, crops, vegetable oils, animal fats, solid biogenic municipal waste and animal manure, can be used to fuel transportation and to generate heat and electricity.[8]

Firewood, which may be used as fuel for cooking, heating and light, is one example of wood products that are used to produce energy. Other examples are:[9]

- Wood pellets,
- Wood chips,
- Lumber and furniture mill sawdust and waste, and
- Black liquor from wood pulp and paper mills.

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[2] U.S. Energy Information Administration. *Renewable Energy Explained*. Retrieved December 26, 2024, from www.eia.gov/energyexplained/renewable-sources/
[3] U.S. Energy Information Administration. *Renewable Energy Explained*. Retrieved December 26, 2024, from www.eia.gov/energyexplained/renewable-sources/
[4] Encyclopedia Britannica. *Biomass*. Retrieved December 27, 2024, from www.britannica.com/technology/biofuel
[5] U.S. Energy Information Administration. *Biomass Explained*. Retrieved December 26, 2024, from www.eia.gov/energyexplained/biomass/
[6] U.S. Department of Agriculture. *Biomass Energy*. Retrieved December 27, 2024, from www.climatehubs.usda.gov/hubs/international/topic/biomass-energy
[7] National Renewal Energy Laboratory. *Biomass Energy Basics*. Retrieved December 27, 2024, from www.nrel.gov/research/re-biomass.html
[8] U.S. Energy Information Administration. *Biomass Explained*. Retrieved December 26, 2024, from www.eia.gov/energyexplained/biomass/
[9] U.S. Energy Information Administration. *Biomass Explained*. Retrieved December 26, 2024, from www.eia.gov/energyexplained/biomass/

Similarly, forest biomass may also be salvaged. Some examples include waste from logging that is not otherwise sellable and excessive woody biomass.[10] Harvesting biomass from forests not only helps to reduce dead wood, underbrush and small trees that act as fuel for wildfires, it also helps to thin forests and remove diseased and infested trees, which results in healthier, more resilient forests.[11]

Another use for biomass is biochar, a charcoal-like material traditionally obtained from burning vegetation in low-oxygen, covered piles. Biochar can help to improve soil quality since it reduces erosion and increases water retention, nutrient uptake and microbial activity. Today, kilns are used to produce biochar.[12]

The ninth sunset criterion questions the economic impact of the program and, if national economic information is not available, whether the agency stimulates or restricts competition.

Biomass is a renewable source that can be produced locally. Along with wind, geothermal and solar energy, biomass can be used to establish a diverse portfolio of domestic energy[13] and strengthen the country's security and energy independence.[14]

In 2023, biomass produced five percent of the country's energy, the majority of which was in the form of biofuels, followed by wood and wood waste.[15]

Nationally, the industrial sector's share of biomass energy consumption was 45 percent in 2023. Firewood and wood pellets were consumed by the commercial and residential sectors for heating, and wood and biomass-derived waste were used by the electric power sector to produce electricity. The transportation sector, which uses biofuels, was the second largest consumer of biomass energy.[16]

In addition to being an important source of domestic energy, biomass is also an important commodity. For instance, U.S. biomass exports of wood fuel pellets in 2023 totaled 8.6 million tons.[17]

[10] U.S. Department of Energy. *Biomass Resources*. Retrieved September 23, 2025, from www.energy.gov/eere/bioenergy/biomass-resources
[11] U.S. Forest and Rangelands. *Woody Biomass Utilization Benefits*. Retrieved September 23, 2025, from www.forestsandrangelands.gov/woody-biomass/benefits.shtml
[12] U.S. Department of Agriculture. *Digging into Biochar*. Retrieved September 23, 2025, from
[13] U.S. Forest and Rangelands. *Woody Biomass Utilization and the WBUG*. Retrieved December 27, 2024, from www.forestsandrangelands.gov/woody-biomass/overview.shtml
[14] National Renewal Energy Laboratory. *Biomass Energy Basics*. Retrieved September 23, 2025, from www.nrel.gov/research/re-biomass.html
[15] U.S. Energy Information Administration. *Biomass Explained*. Retrieved December 26, 2024, from www.eia.gov/energyexplained/biomass/
[16] U.S. Energy Information Administration. *Biomass Explained*. Retrieved December 26, 2024, from www.eia.gov/energyexplained/biomass/
[17] U.S. Energy Information Administration. *Biomass Explained*. Retrieved December 26, 2024, from www.eia.gov/energyexplained/biomass/

Legal Framework

History of the Grant Program

In a sunset review, the Colorado Office of Policy, Research and Regulatory Reform (COPRRR) is guided by the sunset criteria located in section 24-34-104(6)(b), Colorado Revised Statutes (C.R.S.). The first and second sunset criteria question:

> Whether regulation or program administration by the agency is necessary to protect the public health, safety, and welfare; and
>
> Whether the conditions that led to the initial creation of the program have changed and whether other conditions have arisen that would warrant more, less or the same degree of governmental oversight.

One way that COPRRR addresses this is by examining why the program was established and how it has evolved over time.

Following 2020, when Colorado experienced the worst wildfire season in state history, the General Assembly directed the Colorado State Forest Service (Forest Service) to create a Biomass Utilization Grant Program. The purpose of the grant program is to demonstrate the effectiveness of biomass to prevent and reduce the severity of wildfires, increase renewable energy and enrich agricultural soil.[18]

Specifically, House Bill 21-1180 (HB 1180) authorized the Forest Service to award $2.5 million in grant funds to projects intended to demonstrate the benefits of biomass utilization. While HB 1180 did not include an appropriation for the grant program, the General Assembly permitted, at the State Forester's discretion, for the grant program to be funded through the existing Healthy Forests and Vibrant Communities Fund.

Legal Summary

The third, fourth, fifth and seventh sunset criteria question:

> Whether the existing statutes and regulations establish the least restrictive form of governmental oversight consistent with the public interest, considering other available regulatory mechanisms;
>
> Whether agency rules enhance the public interest and are within the scope of legislative intent; and
>
> Whether the agency operates in the public interest and whether its operation is impeded or enhanced by existing statutes, rules, procedures,

[18] House Bill 21-1180

> and practices and any other circumstances, including budgetary, resource, and personnel matters.

A summary of the current statutes and rules is necessary to understand whether regulation is set at the appropriate level and whether the current laws are impeding or enhancing the agency's ability to operate in the public interest.

The Biomass Utilization Grant Program (grant program) is established in section 23-31-317, Colorado Revised Statutes (Act).

Biomass is defined in the Act as,[19]

> Nontoxic plant matter consisting of agricultural crops or their by-products, urban wood waste, mill residue, slash or brush; animal wastes and products of animal wastes; or methane produced at landfills or as a by-product of the treatment of wastewater residuals.

The Act directs the Forest Service to award up to $2.5 million in grants to projects intended to demonstrate the benefits of biomass utilization to:[20]

- Prevent and mitigate wildfires,
- Increase biomass energy generation, and
- Increase the use of biochar in agriculture.

Under the Act, biochar is defined as "a charcoal that is produced by pyrolysis of biomass and is used as a soil amendment,"[21] and pyrolysis is defined as "the thermochemical decomposition of material at elevated temperatures without the participation of oxygen."[22]

The Forest Service is required to submit a report on the projects funded through the grant program to the Governor and the legislative committees of reference by March 1 each year in which funds are awarded.[23]

19 §§ 23-31-317(2)(b) and 40-2-124(1)(a)(I), C.R.S.
20 § 23-31-317(3)(a), C.R.S.
21 § 23-31-317(2)(e), C.R.S.
22 §§ 23-31-317(2) and 40-2-124(1)(a)(V), C.R.S.
23 § 23-31-317(4), C.R.S.

Program Description and Administration

In a sunset review, the Colorado Office of Policy, Research and Regulatory Reform (COPRRR) is guided by sunset criteria located in section 24-34-104(6)(b), Colorado Revised Statutes (C.R.S.). The fifth and sixth sunset criteria question:

> Whether the agency operates in the public interest and whether its operation is impeded or enhanced by existing statutes, rules, procedures, and practices and any other circumstances, including budgetary, resource, and personnel matters; and
>
> Whether an analysis of agency operations indicates that the agency or the agency's board or commission performs its statutory duties efficiently and effectively.

In part, COPRRR utilizes this section of the report to evaluate the agency according to these criteria.

The State Forest Service (Forest Service) administers the Biomass Utilization Grant Program (grant program). The purpose of the grant program is to demonstrate the benefits of biomass utilization in the state. The grant program is funded through the Healthy Forests and Vibrant Communities Fund, which was established in 2009 to enhance the capacity of the Forest Service to proactively ensure the long-term health and vitality of Colorado's forests.

No full-time equivalent employees or funding were allocated to the Forest Service to administer the grant program.

Over a period of several years, the State Forester awarded 12 grants, totaling $500,000, to support biomass utilization projects.

Biomass Utilization Grants

The General Assembly authorized the Forest Service to award grants to projects intended to demonstrate the benefits of biomass utilization to:

- Prevent and mitigate wildfires,
- Increase biomass energy generation, and
- Increase the use of biochar in agriculture.

The Forest Service set aside $500,000 for the grant program and worked with stakeholders and the agency's field offices to circulate information about the program. Staff also created a grant application that was posted on the agency's website. As the grant program had limited funding, no deadline was set. When staff received the applications, they reviewed them and approved those that fit the purpose of the program. The funds were then released on a reimbursement basis.

Table 2 illustrates the recipients of funds awarded under the grant program, the location of each grant recipient, and the total amount of funds awarded as of December 18, 2024.

Table 2
Biomass Grant Recipients and Awards

Recipient	Location	Award	Start	End
Aspen Wood Products	Mancos	$50,000	8/22	5/25
Council of Western State Foresters	Edgewater	$5,000	8/22	6/23
Golden West Pine Mills	Ault	$63,200	11/21	5/25
Meier Ski's	Denver	$50,000	2/22	5/25
Mountain Pine Lumber	Craig	$25,000	7/22	11/23
Oregon Department of Forestry	Salem, OR	$16,200	7/22	5/25
Redemption Mill	Hotchkiss	$75,000	7/22	8/22
Rocky Mountain Timber Products	Del Norte	$20,000	10/23	12/24
Table-to-Farm Composting	Durango	$75,000	3/22	5/25
Timber Age Builders	Durango	$58,000	3/22	5/25
Tripple JR Logging	Yellow Jacket	$41,200	5/23	5/25
Wilson Place Biochar Restoration	Boulder	$20,000	3/22	Open
Total		**$498,600**		

The Forest Service awarded $498,600 in grants to 12 projects supporting biomass utilization throughout the state. The awards ranged from $5,000 to $75,000 and averaged about $41,550.

Table 3 describes the purpose of each project funded through the grant program.

Table 3
Biomass Grant Funding Purpose

Recipient	Purpose	Notes
Aspen Wood Products	To support the purchase and installation of 3 wood pellet mills, as a federal funding match.	Produces Mesa Verde premium wood pellets.
Council of Western State Foresters	To produce Wood Wool Cement Board and Wood Fiber Insulation Market Report.	Nonprofit 501(c)(3) organization. Additional funding provided by California Department of Forestry.
Golden West Pine Mills	To purchase a generator and radio frequency dryer for wide width wood panel production.	Process based on research by the U.S. Forest Service in the 1970's and implemented by Golden West.
Meier Ski's	To purchase resaw, sander and custom software for custom ski manufacturing.	Used as match to a federal funding award.
Mountain Pine Lumber	To purchase wood waste recovery and management, firewood processor	Only regional manufacturer of innovative erosion control, post-fire slope stabilization wood fiber product.
Oregon Department of Forestry	To produce Timber Age Builders and Forest-to-Farm videos.	Collaboration between Oregon and Colorado to increase manufacturing and marketing of cross-laminated timber affordable homes and in using biomass from wildfire treatments in composting operations.
Redemption Mill	To purchase and install firewood processor.	Increase log utilization and serve growing markets for residential home heating.
Rocky Mountain Timber Products	To hire and train a new employee to operate new firewood processor.	Workforce support.
Table-to-Farm Composting	To purchase biomass transportation and compost processing equipment.	Utilizes wood removals from wildfire mitigation projects in composting sold to agricultural producers.
Timber Age Builders	For engineering support and to obtain industry certification.	Produce cross-laminated timber panels using ponderosa pine.
Tripple JR Logging	To purchase used self-loading log truck.	Small business in rural Colorado.
Wilson Biochar	To build and demonstrate the utility of small, low-tech kilns, that can easily be transported to the biomass source.	Small landscape restoration nonprofit focused on rehabilitation of abandoned mining sites.

The majority of the funds were awarded to for-profit businesses in Colorado that use biomass garnered from forests in Colorado to make wood-based products, such as wood pellets, cross-laminated timber panels and custom skis.

The grant recipients used the funds for a variety of reasons, such as:

- Purchasing equipment,
- Obtaining industry certification,
- Hiring and training staff,
- Promoting biomass utilization, and
- Matching federal funds.

Table 4 illustrates the biomass utilization category relevant to each award.

Table 4
Biomass Utilization Category

Recipient	Wildfire Mitigation	Energy Generation	Agricultural Biochar
Aspen Wood Products	X	X	
Council of Western State Foresters	X		
Golden West Pine Mills	X		
Meier Ski's	X		
Mountain Pine Lumber	X		
Oregon Department of Forestry	X		
Redemption Mill	X		
Rocky Mountain Timber Products	X		
Table-to-Farm Composting	X		X
Timber Age Builders	X		
Tripple JR Logging	X		
Wilson Biochar			X

Most of the grant recipients used biomass sourced from Colorado forests for the purpose of reducing and preventing wildfire. One grant recipient used biomass to generate energy, and two used biomass to produce agricultural biochar.

Table 5 provides an explanation of the near-term impacts of the grant funds by recipient.

Table 5
Near-Term Impacts of Biomass Utilization Projects

Recipient	Near-Term Impact
Aspen Wood Products	<30,000 tons annually of new wood pellets for residential home heating.
Council of Western State Foresters	Technical and market feasibility report on new wood-cement product utilizing smaller diameter timber from mitigation treatments.
Golden West Pine Mills	Increased capacity to source biomass from private lands mitigation treatments for use in engineered wood panels in traditional construction industries.
Meier Ski's	Established needed outlet and supply chain from Western Slope sawmills to Denver based value-added custom crafted ski manufacturer.
Mountain Pine Lumber	Added capacity to process biomass from mitigation treatments on federal lands for growing residential firewood markets.
Oregon Department of Forestry	Video representation of innovative engineered cross-laminated timber panels produced from small diameter trees removed from mitigation treatments.
Redemption Mill	Added capacity to process biomass from mitigation treatments on federal lands for growing residential firewood markets.
Rocky Mountain Timber Products	Added capacity to process unmerchantable sawlogs into firewood for home heating use.
Table-to-Farm Composting	Transportation and production of compost and biochar mixture from hazardous fuels reduction treatments for community-based specialty crop producers.
Timber Age Builders	Increased capacity to source biomass from private lands mitigation treatments for markets in modular low-cost housing and commercial building construction.
Tripple JR Logging	Additional capacity to load and haul unmerchantable logs to processing facilities from log decks left over on-site from wildfire migration treatments.
Wilson Biochar	Low-cost biochar kiln design and construction for site rehabilitation and agricultural markets.

For the most part, the grant program allowed Colorado businesses to expand their capacity to source and process biomass from forests in Colorado. Two other recipients used grant funds to produce media to promote biomass utilization, and one grant recipient established an outlet and supply chain for biomass from the Western Slope to the Front Range.

Analysis and Recommendations

The final sunset criterion questions whether administrative and statutory changes are necessary to improve agency operations to enhance the public interest. The recommendations that follow are offered in consideration of this criterion, in general, and any criteria specifically referenced in those recommendations.

Recommendation 1 — Sunset the biomass utilization grant program.

Biomass is organic material derived from plants and animals.[24] Biomass utilization refers to the use of this material to make products, such as furniture, and to produce energy.[25] Energy produced from biomass is sometimes referred to as biomass energy[26] or bioenergy.[27]

Organic materials, like wood, crops, vegetable oils, animal fats, solid biogenic municipal waste and animal manure, can be used to generate heat and electricity and to fuel transportation.[28]

The General Assembly granted the State Forester the authority to award up to $2.5 million in grant funding to projects intended to demonstrate the benefits of using biomass to prevent and reduce the severity of wildfires, increase renewable energy and enrich agricultural soil.

The Colorado State Forest Service (Forest Service) awarded nearly $500,000 to 12 grant recipients. The grant recipients primarily used the funding to increase capacity to source and process biomass from forests in Colorado.

Sunset criteria question whether a state program is necessary to protect the public health, safety and welfare.

Clearly, preventing and mitigating the risk of wildfire in Colorado is necessary to protect the public. However, while most of the grants were used to increase the capacity to source and process biomass garnered from Colorado forests, the Forest Service provided insufficient evidence of the wildfire prevention and mitigation benefits of biomass utilization from the grant projects. Therefore, the grant program should be sunset.

Since the Forest Service also offers loans to support biomass utilization projects through the existing Healthy Forests and Vibrant Communities Fund, sunsetting the grant

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[24] Encyclopedia Britannica. *Biomass*. Retrieved December 26, 2024, from www.britannica.com/technology/biofuel
[25] U.S. Forest and Rangelands. *Woody Biomass Utilization and the WBUG*. Retrieved December 27, 2024, from www.forestsandrangelands.gov/woody-biomass/overview.shtml
[26] U.S. Department of Energy. *Biomass Energy*. Retrieved December 27, 2024, from www.climatehubs.usda.gov/hubs/international/topic/biomass-energy
[27] National Renewal Energy Laboratory. *Biomass Energy Basics*. Retrieved December 27, 2024, from www.nrel.gov/research/re-biomass.html
[28] U.S. Energy Information Administration. *Biomass Explained*. Retrieved December 26, 2024, from www.eia.gov/energyexplained/biomass/

program will not eliminate funding to support biomass utilization efforts. Additionally, unlike the grant program, the funding provided through the loan program is evergreen as the funds must be repaid.

Therefore, the General Assembly should sunset the Biomass Utilization Grant Program.