

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

Senate Committee on Education

REVENUE: No revenue impact**FISCAL: Fiscal statement issued****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Gretchen Engbring, Administrator**Meeting Dates:** 4/7, 4/14

WHAT THE MEASURE DOES: Establishes Biomass Heat for Rural Schools Fund in State Treasury. Continuously appropriates moneys from fund to Oregon Department of Energy (ODOE) to provide grants and loans that promote replacement of low-efficiency fossil fuel based heating systems with biomass heating systems in rural public schools. Specifies grant and loan program criteria. Directs ODOE to adopt specified rules.

ISSUES DISCUSSED:

- Abundance of fuels in Oregon forests
- Promoting the use of woody biomass as a sustainable fuel
- Costs required to launch the fund

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Biomass heating systems use biological material such as wood, grass, corn, or other by-products of the forestry or agricultural industry in order to generate heat. According to Oregon's Renewable Energy Action Plan (2005), biomass conversion to energy may reduce wildfire risks and associated costs, reduced air pollution from wildfire and prescribed forest burning smoke, extend landfill life through the recovery of biomass, reduce and avoid carbon dioxide emissions, and help maintain jobs and forest industry infrastructure in rural Oregon. The Renewable Energy Action Plan recommends encouraging the development and utilization of small energy efficient biomass heating and electrical systems for institutions, state offices, schools, etc., especially in rural Oregon.

Senate Bill 730 establishes Biomass Heat for Rural Schools Fund in and continuously appropriates moneys from the fund to ODOE to provide grants and loans that promote the replacement of low-efficiency fossil fuel based heating systems with biomass heating systems in rural public schools.