| 1  | State of Arkansas   |   |
|----|---|---|
| 2  | 94th General Assembly A Bill  |   |
| 3  | Regular Session, 2023SENATE BILL 40   | 7 |
| 4  |   |   |
| 5  | By: Senators M. McKee, J. Boyd, A. Clark, Crowell, B. Davis, J. Dismang, Flippo, Gilmore, Hester, |   |
| 6  | Hickey, Hill, B. Johnson, G. Leding, J. Petty, Rice, Stone, D. Wallace                            |   |
| 7  | By: Representatives Beaty Jr., Andrews, Barker, M. Berry, Brooks, K. Brown, C. Cooper, Eubanks,   |   |
| 8  | Fortner, Gazaway, Gramlich, Haak, Holcomb, Jean, McClure, B. McKenzie, S. Meeks, Pilkington, Ray, |   |
| 9  | Richmond, Wardlaw   |   |
| 10 |   |   |
| 11 | For An Act To Be Entitled   |   |
| 12 | AN ACT REGARDING BIOENERGY AND CARBON CAPTURE   |   |
| 13 | TECHNOLOGY; TO REQUIRE ENERGY PRODUCED FROM CERTAIN   |   |
| 14 | SOURCES BE CONSIDERED CARBON NEUTRAL; TO REQUIRE  |   |
| 15 | ENERGY PRODUCED FROM CERTAIN SOURCES IN CONJUNCTION   |   |
| 16 | WITH CARBON CAPTURE TECHNOLOGIES BE CONSIDERED CARBON   |   |
| 17 | NEGATIVE; AND FOR OTHER PURPOSES.   |   |
| 18 |   |   |
| 19 |   |   |
| 20 | Subtitle  |   |
| 21 | TO REQUIRE ENERGY PRODUCED FROM CERTAIN   |   |
| 22 | SOURCES BE CONSIDERED CARBON NEUTRAL; AND   |   |
| 23 | TO REQUIRE ENERGY PRODUCED FROM CERTAIN   |   |
| 24 | SOURCES IN CONJUNCTION WITH CARBON  |   |
| 25 | CAPTURE TECHNOLOGIES BE CONSIDERED CARBON   |   |
| 26 | NEGATIVE.   |   |
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| 29 | BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:                                   |   |
| 30 |   |   |
| 31 | SECTION 1. Arkansas Code Title 15, Chapter 10, Subchapter 1, is                                   |   |
| 32 | amended to add an additional section to read as follows:  |   |
| 33 | 15-10-102. Bioenergy and carbon capture technology.   |   |
| 34 | (a) As used in this section:  |   |
| 35 | (1) "Biomass" means bioenergy feedstocks from forest products                                     |   |
| 36 | manufacturing, including without limitation:  |   |



| 1  | (A) Forest products manufacturing residuals, including                       |
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| 2  | without limitation:  |
| 3  | (i) Pulping liquors;   |
| 4  | (ii) Pulping byproducts;   |
| 5  | (iii) Woody manufacturing residuals;   |
| 6  | (iv) Paper recycling residuals;  |
| 7  | (v) Wastewater and process water treatment plant                             |
| 8  | residuals; and   |
| 9  | (vi) Aneaerobic digester biogas;   |
| 10 | (B) Harvest residues, including without limitation trees                     |
| 11 | or portions of harvested trees that are too small or too poor of quality to  |
| 12 | be utilized for wood or paper products;                                      |
| 13 | (C) Downed wood from extreme weather events or natural                       |
| 14 | <u>disasters;</u>  |
| 15 | (D) Nonhazardous landscape or right-of-way trimmings and                     |
| 16 | municipal trimmings;   |
| 17 | (E) Plant material removed for purposes of invasive or                       |
| 18 | noxious plant species control;   |
| 19 | (F) Biowaste, including without limitation landfill gas;                     |
| 20 | (G) Forest biomass derived from residues created as a                        |
| 21 | byproduct of timber harvesting;  |
| 22 | (H) Forest management activities conducted for timber                        |
| 23 | stand improvement or to increase yield, ecological restoration, or to        |
| 24 | maintain or enhance forest health;   |
| 25 | (I) Biomass materials described by the United States                         |
| 26 | Environmental Protection Agency as fuels under 40 C.F.R. § 241.1 et seq., as |
| 27 | it existed on January 1, 2023; and   |
| 28 | (J) Other used wood products, including without limitation                   |
| 29 | crates or pallets; and   |
| 30 | (2) "Bioenergy with carbon capture and storage" means the                    |
| 31 | process of capturing and permanently storing carbon dioxide from biomass     |
| 32 | energy generation.   |
| 33 | (b)(1) Bioenergy produced from biomass is considered renewable and           |
| 34 | carbon neutral.  |
| 35 | (2) When the bioenergy produced from biomass is paired with                  |
| 36 | bioenergy with carbon capture and storage, the bioenergy is carbon negative. |

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| 1  | (c)(1) Bioenergy produced from agricultural harvesting is considered    |
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| 2  | renewable and carbon neutral.   |
| 3  | (2) When the bioenergy produced from agricultural harvesting is         |
| 4  | paired with bioenergy with carbon capture and storage, the bioenergy is |
| 5  | carbon negative.  |
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