

Joint Committee on Ways and Means

Carrier – House: Rep. Clem
Carrier – Senate: Sen. Nelson

Revenue: No revenue impact

Fiscal: Fiscal statement issued

Action: Do Pass

Vote: 18 – 0 – 3

House – Yeas: D. Edwards, Galizio, Garrard, Hanna, Jenson, Morgan, Nathanson, Nolan, Shields
– Nays:
– Exc:

Senate – Yeas: Bates, Devlin, Johnson, Morse, Nelson, Schrader, Verger, Westlund, Whitsett
– Nays:
– Exc: Carter, Gordly, Winters

Prepared By: Susie Jordan, Legislative Fiscal Office

Meeting Date: 6/21/07

WHAT THE MEASURE DOES: Extends to July 1, 2009 the current system under which forest landowners and the state share the costs of fighting large wildfires on lands protected by the Department of Forestry. Specifies that a landowner or operator is liable for fire abatement costs or penalties if they fail to obtain a permit for the use of fire or power-driven machinery. Adds term “emergency” in describing the fire costs that meet a deductible before a forest protection district can be reimbursed for firefighting costs from the Oregon Forest Land Protection Fund.

ISSUES DISCUSSED:

- Fiscal Impact if measure is not adopted

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Oregon Fire Land Protection Fund (OFLPF) was created by the Legislative Assembly in 1960 as a mechanism for landowners to pay for the costs of fighting wildfires that are beyond the capability of the local district protection efforts. The revenue sources for the OFLPF are an assessment on forestland ownership, a surcharge on improved lots, and a forest products harvest tax.

Prior to 2003, the OFLPF provided the first \$10 million of emergency firefighting cost on lands protected by the Department of Forestry. Any costs exceeding that amount were paid by an insurance policy with a \$10 million deductible. If costs exceeded the insurance policy, all remaining costs would have been presented to the Emergency Board for reimbursement from the General Fund.

The 2003 Legislative Assembly enacted a temporary increase in the yearly limit on landowner expenditures for fighting large wildfires and purchasing catastrophic fire insurance. The 2005 Legislative Assembly created the current system whereby forest landowners agreed, on a two year renewal basis, to extend the OFLPF expenditure limit from \$10 to \$15 million. If fire costs exceed this amount, the General Fund provides up to the next \$10 million in costs. An insurance policy with a \$25 million deductible provides \$25 million in coverage, with the premium cost shared between the OFLPF and a General Fund appropriation. In times of severe fire danger, the Emergency Board has allocated “severity” funds to contract for additional fire engines, helicopters or other resources that can be pre-positioned in vulnerable areas.

HB 2067 authorizes a two year renewal of the current system, to July 1, 2009, under which forest landowners and the state share the costs of fighting large wildfires on lands protected by the Department of Forestry.