

## STAFF MEASURE SUMMARY

CARRIER:

House Committee on Agriculture, Natural Resources and Rural Communities

**REVENUE: No revenue impact****FISCAL: Fiscal statement issued**


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**Action:** Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by prior reference

**Vote:** 8 - 0 - 0

**Yeas:** Beyer, Gilliam, Krieger, Roblan, Schaufler, VanOrman, Wingard, Clem

**Nays:** 0

**Exc.:** 0

**Prepared By:** Cheyenne Ross and Beth Patrino, Administrators

**Meeting Dates:** 3/26, 4/9, 4/14

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**WHAT THE MEASURE DOES:** Modifies the system under which forest landowners and the state share the costs of fighting large wildfires on lands protected by the Department of Forestry. Directs that annual expenditures from the Oregon Forest Land Protection Fund, effective July 1, 2009, not exceed the lesser of \$15 million or an amount equal to one-half the annual emergency fire suppression costs and one-half the annual premium costs for emergency fire suppression insurance. Directs that annual expenditures from the Oregon Forest Land Protection Fund, effective July 1, 2011, not exceed the lesser of \$10 million or an amount equal to one-half the annual emergency fire suppression costs and one-half the annual premium costs for emergency fire suppression insurance. Declares emergency, takes effect on July 1, 2009.

**ISSUES DISCUSSED:**

- Cost-sharing model
- Percentage of fire protection costs borne by landowners in recent years

**EFFECT OF COMMITTEE AMENDMENT:** Replaces the measure.

**BACKGROUND:** The Oregon Forest 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. In recent years, the amount of deductible to be paid has not exceeded \$15 million, and no moneys have been expended from the General Fund for emergency fire suppression.

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***This summary has not been adopted or officially endorsed by action of the committee.***

Committee Services Form – 2009 Regular Session