

1284 Court Street N.E. • SALEM, OREGON 97301 1-800-223-9708 • (503) 378-0896 • FAX (503) 364-9919

Letter of Support: HB 5038: Financial Administration of the Oregon State Police/ Office of State Fire Marshal March 14, 2013 Genoa Ingram

The Oregon Fire District Directors Association (OFDDA) was formed in 1950 and serves the elected public officials of over 200 Fire Protection Districts throughout Oregon, all Special Districts formed under ORS Chapter 478. The five-member governing boards are responsible for the financial and management oversight of the Districts. They serve without compensation.

The OFDDA is the voice for these fire protection districts, most of which are small rural districts operating on an all-volunteer basis or with minimal paid positions, usually an office administrator and/or a Chief. <u>This legislative session, the budget of the Office of State Fire Marshal is one of the highest priorities of the Oregon Fire District Directors Association and our other fire service partners, including the Oregon Volunteer Firefighters Association.</u>

The Office of the State Fire Marshal is an invaluable resource to the public, fire service entities across the state, and to our local governments. The OSFM provides valuable training and instruction at our conferences, as well as public safety education and fire prevention resources to the general public, coordinates the Urban Search and Rescue program, manages three Incident Management Teams as well as major conflagrations, just to name a few. The OSFM also maintains records and statistics to assist the fire service in determining trends that aid with planning to preserve life and prevent property loss. Often such resources are lacking, particularly in rural areas where OSFM assistance is especially valuable.

This legislative session, fire service entities across the State support the OSFM in its efforts to preserve and continue its programs and stop the shrinkage in staff we have seen over the past several years. Our focus is on three areas in particular:

<u>Community Right to Know</u> Oregon's Community Right to Know (CR2K) and Protection Act provides valuable information to first responders and the public regarding hazardous substances. We support the efforts of the OSFM to minimize impacts on small business while still carrying out its directives.

<u>Petroleum Load Fee</u> The proposed OSFM budget also anticipates a modest increase in the petroleum load fee, which is assessed by local governments and billed and collected through the OSFM. The fee, which had not been increased for a number of years, was

increased to \$5.00 by temporary rule and we support this move to keep up with inflationary demands and increased workload.

<u>Fire Insurance Premium Tax</u> Because the OSFM receives no general fund dollars, most programs are fee supported. Approximately 66% of the proposed OSFM budget is generated by the Fire Insurance Premium Tax (FIPT). Its statutory purpose is to pay the expenses of and maintain the Office of State Fire Marshal. In addition to conflagration and other mobilization costs where OSFM deploys local fire departments to assist other parts of the state during major incidents, FIPT pays the costs of:

- Governor-declared conflagrations and emergencies;
- Fire prevention and education for vulnerable populations;
- Inspection and investigation coverage in local communities that do not have local fire marshals;
- Training and certification for fire departments through DPSST;
- Arson investigations through Oregon State Police.

During the 2013 legislative session, HB 2084 has been introduced as a top priority for the fires service community. The bill represents a slight (.15 percent) increase in the tax on fire insurance policies sold in Oregon to fund the OSFM. The proposed increase does not represent an increase in programs, but will fund programs and services at the current service levels.

The Oregon Fire District Directors Association thanks you for the opportunity to place its support of the Office of State Fire Marshal on the record for your consideration and we urge you to act favorably on the agency's budget.