

A-Engrossed
House Bill 2050

Ordered by the House March 4
Including House Amendments dated March 4

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor John A. Kitzhaber, M.D., for State Forestry Department)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Changes permissible uses of moneys in Oregon Forest Land Protection Fund. Alters statutory limit on annual expenditures from fund. Provides for phased changes in factors used to calculate alternative statutory limit on annual expenditures from fund.

Changes required content of annual report by State Forester to Emergency Board.
Declares emergency, effective July 1, 2013.

A BILL FOR AN ACT

1
2 Relating to forestland fire protection; creating new provisions; amending ORS 477.755 and 477.777;
3 limiting expenditures; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 477.755 is amended to read:

6 **477.755. (1) As used in this section, "annual expenditure" means the expenses of the**
7 **Oregon Forest Land Protection Fund obligated in any 12-month period designated by the**
8 **Emergency Fire Cost Committee by rule, corresponding to the policy period of any insurance**
9 **for emergency fire costs.**

10 *[(1)]* **(2)** Notwithstanding ORS 291.238, the moneys in the Oregon Forest Land Protection Fund
11 are **continuously** appropriated *[continuously]* to the Emergency Fire Cost Committee *[and shall be*
12 *used]* **for the purposes of:**

13 **(a)** Equalizing emergency fire suppression costs for safeguarding forestland in any forest pro-
14 tection district, *and for*;

15 **(b) Paying** necessary administrative expenses. *However, such administrative expenses may not*,
16 **not to** exceed the limit authorized by the Legislative Assembly each biennium[.];

17 **(c) Contributing to the payment of emergency fire suppression costs insurance premi-**
18 **ums, subject to the payment limitation established in ORS 477.775 (4);**

19 **(d) Paying costs related to the availability and mobilization of emergency fire suppression**
20 **resources on a statewide basis; and**

21 **(e) Paying for nonroutine purchases of supplemental fire prevention, detection or sup-**
22 **pression resources that will enhance the ability of the forester to perform fire protection**
23 **responsibilities within a forest protection district.**

24 *[(2)]* **(3)** Notwithstanding any other provision of law, the annual expenditure from the Oregon
25 Forest Land Protection Fund from revenues received from ORS 321.015 (2), 477.277 (1), 477.295 (1)
26 and (2), 477.750 (1) and (2), 477.760 (4) and 477.880 *[(2) may not exceed \$10 million.]* **may not exceed**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 **the lesser of:**

2 (a) **\$13.5 million; or**

3 (b) **The sum of:**

4 (A) **The lesser of \$1 million or 50 percent of the eligible annual fire suppression costs**
5 **determined by the committee;**

6 (B) **The lesser of \$9 million or the amount by which the eligible annual emergency fire**
7 **suppression costs exceed \$2 million but do not exceed the policy deductible for emergency fire**
8 **suppression costs insurance purchased under ORS 477.775;**

9 (C) **Necessary administrative expenses as determined by the committee and authorized**
10 **under the limit described in subsection (2)(b) of this section;**

11 (D) **Contributions to the payment of emergency fire suppression costs insurance premi-**
12 **ums, subject to the payment limitation established in ORS 477.775 (4);**

13 (E) **The lesser of \$3 million or three-fifths of the actual cost of activities described in**
14 **ORS 477.777 (1)(b) and (c); and**

15 (F) **Any amounts expended for nonroutine purchases described in subsection (2)(e) of this**
16 **section.**

17 *[(3) As used in this section, "annual expenditure" means the expenses of the Oregon Forest Land*
18 *Protection Fund obligated in any 12-month period designated by the Emergency Fire Cost Committee*
19 *by rule that corresponds to the policy period of any insurance for emergency fire costs.]*

20 **SECTION 2.** ORS 477.755, as amended by section 1 of this 2013 Act, is amended to read:

21 477.755. (1) As used in this section, "annual expenditure" means the expenses of the Oregon
22 Forest Land Protection Fund obligated in any 12-month period designated by the Emergency Fire
23 Cost Committee by rule, corresponding to the policy period of any insurance for emergency fire
24 costs.

25 (2) Notwithstanding ORS 291.238, the moneys in the Oregon Forest Land Protection Fund are
26 continuously appropriated to the Emergency Fire Cost Committee for the purposes of:

27 (a) Equalizing emergency fire suppression costs for safeguarding forestland in any forest pro-
28 tection district;

29 (b) Paying necessary administrative expenses, not to exceed the limit authorized by the Legis-
30 lative Assembly each biennium;

31 (c) Contributing to the payment of emergency fire suppression costs insurance premiums, subject
32 to the payment limitation established in ORS 477.775 (4);

33 (d) Paying costs related to the availability and mobilization of emergency fire suppression re-
34 sources on a statewide basis; and

35 (e) Paying for nonroutine purchases of supplemental fire prevention, detection or suppression
36 resources that will enhance the ability of the forester to perform fire protection responsibilities
37 within a forest protection district.

38 (3) Notwithstanding any other provision of law, the annual expenditure from the Oregon Forest
39 Land Protection Fund from revenues received from ORS 321.015 (2), 477.277 (1), 477.295 (1) and (2),
40 477.750 (1) and (2), 477.760 (4) and 477.880 may not exceed the lesser of:

41 (a) **\$13.5 million; or**

42 (b) **The sum of:**

43 (A) **The lesser of [~~\$1~~] **\$5** million or 50 percent of the eligible annual fire suppression costs de-**
44 **termined by the committee;**

45 (B) **The lesser of [~~\$9~~] **\$5** million or the amount by which the eligible annual emergency fire**

1 suppression costs exceed [~~\$2~~] **\$10** million but do not exceed the policy deductible for emergency fire
2 suppression costs insurance purchased under ORS 477.775;

3 (C) Necessary administrative expenses as determined by the committee and authorized under the
4 limit described in subsection (2)(b) of this section;

5 (D) Contributions to the payment of emergency fire suppression costs insurance premiums, sub-
6 ject to the payment limitation established in ORS 477.775 (4);

7 (E) The lesser of \$3 million or three-fifths of the actual cost of activities described in ORS
8 477.777 (1)(b) and (c); and

9 (F) Any amounts expended for nonroutine purchases described in subsection (2)(e) of this sec-
10 tion.

11 **SECTION 3.** ORS 477.755, as amended by sections 1 and 2 of this 2013 Act, is amended to read:

12 477.755. (1) As used in this section, "annual expenditure" means the expenses of the Oregon
13 Forest Land Protection Fund obligated in any 12-month period designated by the Emergency Fire
14 Cost Committee by rule, corresponding to the policy period of any insurance for emergency fire
15 costs.

16 (2) Notwithstanding ORS 291.238, the moneys in the Oregon Forest Land Protection Fund are
17 continuously appropriated to the Emergency Fire Cost Committee for the purposes of:

18 (a) Equalizing emergency fire suppression costs for safeguarding forestland in any forest pro-
19 tection district;

20 (b) Paying necessary administrative expenses, not to exceed the limit authorized by the Legis-
21 lative Assembly each biennium;

22 (c) Contributing to the payment of emergency fire suppression costs insurance premiums, subject
23 to the payment limitation established in ORS 477.775 (4);

24 (d) Paying costs related to the availability and mobilization of emergency fire suppression re-
25 sources on a statewide basis; and

26 (e) Paying for nonroutine purchases of supplemental fire prevention, detection or suppression
27 resources that will enhance the ability of the forester to perform fire protection responsibilities
28 within a forest protection district.

29 (3) Notwithstanding any other provision of law, the annual expenditure from the Oregon Forest
30 Land Protection Fund from revenues received from ORS 321.015 (2), 477.277 (1), 477.295 (1) and (2),
31 477.750 (1) and (2), 477.760 (4) and 477.880 may not exceed the lesser of:

32 (a) \$13.5 million; or

33 (b) The sum of:

34 (A) The lesser of [~~\$5~~] **\$10** million or 50 percent of the eligible annual fire suppression costs de-
35 termined by the committee;

36 [~~(B) The lesser of \$5 million or the amount by which the eligible annual emergency fire suppression~~
37 ~~costs exceed \$10 million but do not exceed the policy deductible for emergency fire suppression costs~~
38 ~~insurance purchased under ORS 477.775;]~~

39 [~~(C)~~] **(B)** Necessary administrative expenses as determined by the committee and authorized
40 under the limit described in subsection (2)(b) of this section;

41 [~~(D)~~] **(C)** Contributions to the payment of emergency fire suppression costs insurance premiums,
42 subject to the payment limitation established in ORS 477.775 (4);

43 [~~(E)~~] **(D)** The lesser of \$3 million or three-fifths of the actual cost of activities described in ORS
44 477.777 (1)(b) and (c); and

45 [~~(F)~~] **(E)** Any amounts expended for nonroutine purchases described in subsection (2)(e) of this

1 section.

2 **SECTION 4.** ORS 477.777 is amended to read:

3 477.777. (1) As part of the preparation of the budget forms submitted to the Oregon Department
4 of Administrative Services pursuant to ORS 291.208 for the State Forestry Department, the State
5 Forester shall prepare, in addition to any amounts budgeted for forest protection districts pursuant
6 to ORS 477.205 to 477.281, a budget request for a General Fund appropriation [*that may be used for*
7 *any or all of the following:*] **for the following purposes:**

8 (a) Providing funds for the purchase of **emergency fire suppression costs** insurance under ORS
9 477.775.

10 (b) [*Placement of*] **Acquiring and placing** centrally managed fire suppression resources for
11 statewide use.

12 (c) [*Acquisition of*] **Acquiring** fast-mobilizing, short-term contingency resources to be used based
13 on predictions of [*unusually*] severe fire weather, widespread lightning events or serious resource
14 shortage due to a heavy fire season **in this state, in the western region of the United States**
15 **or nationally.**

16 (d) [*Enhancement of*] **Enhancing** forest protection district resources in [*limited*] cases where land
17 productivity or other economic factors seriously limit the [*protection district's ability to provide ad-*
18 *equiate funding to meet performance standards.*] **ability of the forester to perform fire protection**
19 **responsibilities.**

20 (e) **Mitigating forest patrol assessment rates in cases where land productivity or other**
21 **economic factors seriously limit the ability of the owners of forestlands in the forest pro-**
22 **tection district to comply with ORS 477.210 (1).**

23 (2) The State Forester shall utilize critical discretion in the expenditure of the funds provided
24 to the State Forestry Department pursuant to the separate budget request required under subsection
25 (1) of this section.

26 (3) The State Forester shall report to the Emergency Board, each year, after the close of the fire
27 season, on:

28 (a) The nature and severity of the fire season;

29 (b) The moneys expended on fire suppression;

30 [*c*] *The rationale for the expenditures; and*

31 [*d*] (c) The balance remaining from the biennial appropriation[.]; **and**

32 (d) **Any matters arising out of the fire season that may require attention or warrant**
33 **future consideration by the board or the Legislative Assembly.**

34 **SECTION 5.** The amendments to ORS 477.755 and 477.777 by sections 1 and 4 of this 2013
35 Act apply to expenditures for state and district annual budget periods that begin on or after
36 July 1, 2013. If this 2013 Act takes effect after July 1, 2013, the Legislative Assembly ex-
37 pressly intends that the amendments to ORS 477.755 and 477.777 by sections 1 and 4 of this
38 2013 Act apply retroactively to cover expenditures for all state and district annual budget
39 periods that begin on or after July 1, 2013.

40 **SECTION 6.** The amendments to ORS 477.755 by section 2 of this 2013 Act apply to
41 expenditures for state and district annual budget periods that begin on or after July 1, 2015.

42 **SECTION 7.** The amendments to ORS 477.755 by section 3 of this 2013 Act apply to
43 expenditures for state and district annual budget periods that begin on or after July 1, 2017.

44 **SECTION 8.** This 2013 Act being necessary for the immediate preservation of the public
45 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect

1 **July 1, 2013.**

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