HB 2722 -4 STAFF MEASURE SUMMARY

House Committee On Agriculture and Natural Resources

Prepared By:Laura KentnesseSub-Referral To:Joint Committee On Ways and MeansMeeting Dates:3/23, 4/13

WHAT THE MEASURE DOES:

Requires the Department of Land Conservation and Development (DLCD) Director, in consultation with counties and cities, to organize a Land Use and Wildfire Policy Advisory Committee (Committee). Requires specified groups to nominate potential Committee members, and requires the DLCD Director and State Forester to jointly appoint committee members from the submitted nominations. Specifies additional nonvoting members including legislators. Requires the Oregon Department of Forestry (ODF) and Oregon State University (OSU), in consultation with DLCD, to analyze the wildfire risk to people, public and private property, businesses, infrastructure, and natural resources, for each region of the state, and to report recommendations for regional wildfire risk reduction to the Committee by October 1, 2020. Requires the analysis be performed in consultation with specified local entities in each region. Requires the departments and Committee to analyze and evaluate that input in developing their recommendations on how to implement the Governor's Council on Wildfire Response land use recommendations, and to report to the Legislative Assembly by February 1, 2021. Specifies report requirements including, but not limited to: regional wildfire risk reduction recommendations; existing state and local maps that identify wildfire risk; new map resources to account for regional differences if deemed appropriate; identification of resources needed for mapping; recommendations on possible means for using the statewide planning program and local governments; planning goals related to natural hazards; existing state and local programs that minimize wildfire risk; revision recommendations to the statewide land use planning program and local building codes; funding, staffing, and other administrative resources needed; and a description of areas of agreement and disagreement among departments and Committee members. Authorizes the Governor's Council on Wildfire **Response** (Council) to continue through January 2, 2022. Allows the Governor to assign duties to the Council to oversee and assist in the implementation of the Act, including providing advice, suggesting priorities, recommending future actions, and providing coordination with federal agencies. Directs the Council to develop a sustainable model for funding a comprehensive wildfire strategy that is consistent with the 2019 Council report and recommendations. Requires that the Council report to the Governor and Legislative Assembly by October 31, 2021. Requires the Oregon Department of Energy (ODOE) to commission a study to determine whether renewable energy generation is a feasible means for disposing of materials from wildfire fuel load reduction projects. Requires ODOE to award a contract for the study no later than August 31, 2021 for a maximum of \$500,000. Requires the entity that receives the contract to have specified expertise and to complete the study by January 15, 2022. Requires ODOE to appoint an advisory committee by July 31, 2021 to provide advice to the entity conducting the study, and to act as a reviewing body for the study results. Establishes advisory committee membership and processes. Appropriates the following General Fund moneys for the biennium ending June 30, 2023: \$350,000 to DLCD, \$100,000 to ODF, \$50,000 to OSU, and \$61,900 to ODOE. Declares emergency, effective on passage.

REVENUE: May have revenue impact, but no statement yet issued FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-4 Replaces the measure. Requires the Public Utilities Commission (PUC) to periodically convene workshops for public utilities, consumer-owned utilities (COUs), and electrical distribution system operators to share information related to wildfire best practices, and to adopt rules for establishment of wildfire risk reduction procedures and standards. Requires **public utilities** to have, and operate in compliance with, a regularly updated risk-based wildfire protection plan that has been evaluated and approved by the PUC in consultation with the Oregon Department of Forestry and local emergency services agencies. Specifies minimum plan requirements, and requires the first plan to be submitted to the PUC by December 31, 2022. Requires COUs to have, and operate in compliance with, a regularly updated risk-based wildfire mitigation plan approved by the utility's governing body. Requires COUs to submit the first plan by December 31, 2023 and to submit a copy of the approved plan to the PUC. Requires COUs to conduct a periodic wildfire risk assessment of utility facilities. Allows insurers to adopt coverage provisions and underwriting standards to encourage certain property protection approaches, and to use maps and data developed by state agencies for the purpose of determining terms and conditions of the policies. Authorizes the Department of Consumer and Business Services (DCBS) to work with the State Fire Marshal and insurers to develop property protection approaches. Requires the President of the Senate and the Speaker of the House of Representatives to organize and jointly appoint a 14-member Land Use and Wildfire Policy Advisory **Committee** (Committee), to be staffed by the Department of Land Conservation and Development. Establishes Committee membership and processes. Requires the Committee to determine whether updates to the statewide land planning program are needed in order to minimize wildfire risk to people, public and private property, businesses, infrastructure, and natural resources, and to provide a report with recommendations to appropriate committees of the Legislative Assembly by December 31, 2022. Requires the Environmental Quality Commission to establish a program to detect and evaluate wildfire smoke levels for public health risk purposes, and to make public health risk information available to local public health authorities and the public. Requires the Oregon Health Authority (OHA) to establish clean air shelters within local communities, including provision and installation of filtration systems, in cooperation with local governments. Establishes that clean air shelters must be available to the public without charge during periods when wildfire smoke levels present a public health risk. Requires OHA to establish a grant program to increase the availability of smoke filtration systems in areas susceptible to wildfire smoke for persons vulnerable to the health effects of smoke. Authorizes OHA to issue grants to install smoke filtration systems in residential and commercial buildings, and buildings open to the public, and requires OHA to prioritize residential buildings occupied by lower income persons who are vulnerable to health effects of smoke. Adds 'wildfire' to state definition of 'emergency.' Requires the Office of Emergency Management (OEM) to update its statewide emergency plan to prepare for or respond to wildfire emergencies on an area-wide or statewide basis. Requires OEM to coordinate with cities, counties, and other specified entities to ensure local efforts align with the statewide plan, and to provide training and community education. Requires all counties to establish a 7-member forestland-urban interface classification committee pursuant to State Forester request for establishment. Revises committee membership and processes. Requires committees to establish **minimum defensible space standards** that include specified components for minimizing or mitigating wildfire risk within extreme hazard zones, and allows for committee minimum defensible space establishment in high hazard zones. Requires committees to produce maps of final standards, designations, and classifications, and to send those maps to Oregon State University for inclusion in a statewide wildfire risk map. Authorizes the State Forester to create defensible space standards for a county if the county committee fails to establish standards within specified timeframes. Requires the State Board of Forestry to establish by rule minimum defensible space requirements for extreme risk zones that are consistent with DCBS building code standards for structures within the forestland-urban interface and local government comprehensive plans and land use regulations, and by using data in the 2021 Oregon Explorer Map. Clarifies a landowner is liable for a maximum of \$10,000 only if they have willfully or recklessly failed to meet applicable minimum standards. Requires additional costs of fire protection

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identified by the State Forester in consultation with the State Fire Marshal be adopted by rule and ratified by the Legislative Assembly, and removes limitation for those additional costs to only be borne by landowners within a forestland-urban interface classification in a forest protection district. Requires DCBS to adopt wildfire hazard mitigation building code standards consistent with R327 standards for new residences on lots or parcels platted after passage of this Act in extreme hazard areas. Requires DCBS to consult with Oregon State University (OSU) to develop an interactive tool using data from the ODF 2021 Oregon Explorer Wildfire Risk Portal (Portal) to identify when building code standards must be applied, and to be electronically available for statewide use at little or no expense to the public and local governments. Requires OSU, in consultation with ODF and the State Fire Marshal, to develop and maintain a publicly accessible comprehensive statewide map of wildfire risk. Establishes map requirements, and requires OSU to provide technical assistance to state and local government map users. Directs OSU to provide a progress report to an interim wildfire committee of the Legislative Assembly by December 31, 2021, and requires map completion by June 30, 2023. Requires ODF to carry out a fuel reduction treatment program on forestlands and rangelands that are in the four highest importance categories of the 'Pacific Northwest Quantitative Wildfire Risk Assessment,' dated April 9, 2018, or on which treatment would provide substantial benefit to the state. Requires ODF to use the comprehensive statewide map of wildfire risk to identify state and local resource needs for mitigating wildfire risk, and to estimate funding, staffing and other administrative resources necessary for state, county, and city governments to implement wildfire risk reduction programs. Requires ODF to identify policy barriers to increasing implementation of fuel reduction treatment projects on private lands. Requires ODF to develop consistent performance measures and condition-based metrics for monitoring and communicating the effectiveness of state investments and project actions to mitigate wildfire risk. Requires program to provide opportunities for ODF to identify workforce development needs and to develop funding proposals for those needs. Requires ODF to cooperate with federal agencies to increase effectiveness of forest management activities on federal lands. Modifies findings related to state and federal partnership. Adds rangeland management activities to State Forester authorities under stewardship contract agreements, and authorizes the State Board of Forestry to: identify an appropriate state agency to assist ODF in carrying out federal rangeland treatments; request treatment metrics from the State Forester to achieve federal forest management goals; and direct ODF to ensure federal land treatment is prioritized, federal and state resources are maximized to expedite treatment, and identify capacity needed to meet treatment goals. Adds priorities under the Good **Neighbor Authority** for projects that reduce fuel loads and wildfire suppression costs. Requires ODF to design and implement a program to reduce wildfire danger on non-federal or private forestlands and rangelands through restoration of landscape resiliency and the reduction of hazardous fuel levels. Requires ODF to consult with specified entities, and to prioritize specified projects identified in the statewide map of wildfire risk. Allows a small tract forestland owner to submit a forest health restoration plan to the State Board of Forestry and requires the Board to review that plan. Asserts that Board approvals require the Board to certify to the county assessor that the forestland qualifies for a credit in the first property tax year beginning on or after the certification date. Specifies credit maximums. Establishes that it is the policy of the state to maximize forestland and rangeland resiliency, including but not limited to the achievement of fuel load reduction, wildfire suppression cost reduction, and improved vegetation condition resilience, and requires the Board to adopt rules that maximize forest resiliency, including but not limited to the use of prescribed burns and commercial and noncommercial harvesting. Directs ODF to consult and coordinate with federal agencies, private stakeholders, and other state agencies to determine the adequacy of state, federal, and private wildfire response capacity, and requires ODF to seek to leverage state moneys to increase federal wildfire resources available to Oregon for effective initial response. Declares emergency, effective on passage.

REVENUE: May have revenue impact, but no statement yet issued FISCAL: May have fiscal impact, but no statement yet issued

BACKGROUND:

Oregon Governor Kate Brown created the Governor's Council on Wildfire Response by executive order in January of 2019. The Council was tasked with reviewing Oregon's current model for wildfire prevention, preparedness, and response, and analyzing whether the current model is sustainable given increasing wildfire risks. The Council met regularly for nine months and formed three active subcommittees that focused on mitigation, fire suppression, and adaptation and recovery. The product of the Council's extensive work was a final report that concluded that some or all of the current models are not sufficient to ensure Oregon is prepared for increasingly severe wildfire seasons. The report proposed 37 recommendations; House Bill 2722 is related to recommendations 3, 4, 34, and 37.

House Bill 2722 would require the Oregon Department of Forestry and Oregon State University to analyze regional wildfire risk, and would require the Department of Land Conservation and Development to organize a Land Use and Wildfire Policy Advisory Committee that is tasked with analyzing and reporting on mapping needs and recommendations for using the statewide land use planning program, local governments, and building codes to minimize wildfire risk. The measure would also direct the Governor's Council on Wildfire Response to develop a sustainable model for comprehensive wildfire strategy funding, and direct the Oregon Department of Energy to commission a study to determine whether renewable energy generation is a feasible means for disposing of materials from wildfire fuel load reduction projects.