LC 3374 2025 Regular Session 10/15/24 (AG/ps)

# DRAFT

#### **SUMMARY**

Digest: The Act directs the State Fire Marshal to create a grant program to help property owners with wildfire resilience. The Act creates a fund related to the grant program. The Act directs the State Fire Marshal to report on the grant program. The Act directs agencies to plan for a program for certifying reduced wildfire risk for insurance purposes. The Act gives moneys to the State Fire Marshal for the grant program. The Act goes into effect when the Governor signs it. (Flesch Readability Score: 71.9).

Directs the State Fire Marshal to establish a neighborhood protection cooperative grant program.

Establishes the Neighborhood Protection Cooperative Grant Program Fund.

Directs the Department of the State Fire Marshal to include status reports on the program in certain biannual reports.

Directs the Department of Consumer and Business Services, the Department of the State Fire Marshal and the State Forestry Department to develop a plan and implementation timeline for establishing an insurance-related risk reduction certification program and report on the program on or before December 1, 2026.

Appropriates moneys to the State Fire Marshal, out of the General Fund, for implementing the neighborhood protection cooperative grant program.

Declares an emergency, effective on passage.

### 1 A BILL FOR AN ACT

- 2 Relating to wildfire risk reduction; creating new provisions; amending ORS
- 3 476.398; and declaring an emergency.

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

### NEIGHBORHOOD PROTECTION COOPERATIVE GRANT PROGRAM

## SECTION 1. (1) The State Fire Marshal shall establish a neighbor-

- 1 hood protection cooperative grant program to promote wildfire 2 resilience within communities.
- (2) In establishing the program described in subsection (1) of this
  section, the State Fire Marshal shall promote collaboration with other
  related programs to the extent practicable.

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- (3) Under the program described in subsection (1) of this section, the State Fire Marshal shall award grants to local governments, organizations related to fire districts and nongovernmental organizations for awarding and administering individual grants to property owners to promote wildfire resilience, pursuant to criteria determined by the State Fire Marshal.
- 12 (4) The State Fire Marshal shall develop criteria for awarding 13 grants to local governments, organizations related to fire districts and 14 nongovernmental organizations, and for awarding individual grants to 15 property owners, in consultation with:
- (a) The Department of Consumer and Business Services and the
  State Forestry Department.
- 18 **(b)** Stakeholders, in order to make requirements as workable for potential grantee organizations as possible.
- 20 (5) The State Fire Marshal shall publish the criteria described in 21 subsection (4) of this section on a State Fire Marshal website.
- 22 (6) The criteria described in subsection (4) of this section for awards 23 of grants to local governments, organizations related to fire districts 24 and nongovernmental organizations may include requirements that 25 grantees:
- 26 (a) Create preliminary plans for identifying neighborhoods in which 27 property owners may be awarded individual grants.
- 28 (b) Conduct initial defensible space assessments for neighborhoods 29 described in paragraph (a) of this subsection.
- 30 (c) Require all persons who perform onsite hazard assessments 31 funded by a grant under this section to complete defensible space as-

- 1 sessment training overseen by the State Fire Marshal.
- 2 (d) Periodically report to the State Fire Marshal on awarding and 3 administering individual grants under this section.
- (7) The criteria described in subsection (4) of this section for awards of individual grants may include qualifications and standards for eligibility, such as preferences for awarding individual grants to property owners who own property in neighborhoods:
- 8 (a) In areas with high wildfire risk.

- (b) With identifiable social and economic barriers.
- 10 (c) That are likely to be successful in implementing wildfire risk 11 reduction measures.
- 12 (8) The State Fire Marshal may adopt rules to implement this sec-13 tion, including rules defining "neighborhood" for purposes of this sec-14 tion.
- SECTION 2. The State Fire Marshal shall publish neighborhood protection cooperative grant program criteria, as described in section 17 1 (5) of this 2025 Act, on or before January 1, 2027.
- SECTION 3. (1) The Neighborhood Protection Cooperative Grant Program Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Neighborhood Protection Cooperative Grant Program Fund shall be credited to the fund.
- 23 (2) The fund shall consist of all moneys placed in the fund as pro-24 vided by law and any gifts, grants, donations, endowments or bequests 25 from any public or private source, including individuals and private 26 organizations.
- 27 (3) Moneys in the fund are continuously appropriated to the State 28 Fire Marshal for the purpose of carrying out the neighborhood pro-29 tection cooperative grant program described in section 1 of this 2025 30 Act.
- 31 **SECTION 4.** ORS 476.398 is amended to read:

#### LC 3374 10/15/24

- 476.398. (1) The State Fire Marshal shall biannually report regarding the
- 2 status of State Fire Marshal and local government activities for carrying out
- 3 ORS 476.392 and section 1 of this 2025 Act to a committee or interim
- 4 committee of the Legislative Assembly related to wildfire, in the manner
- 5 provided in ORS 192.245, to the State Wildfire Programs Director and to the
- 6 Wildfire Programs Advisory Council:
- 7 (a) On or before the date of convening of the regular session of the Leg-
- 8 islative Assembly as specified in ORS 171.010.
- 9 (b) Approximately six months after the date described in paragraph (a)
- 10 of this subsection.
- 11 (2) The report shall include, but need not be limited to:
- 12 (a) A status report regarding community risk reduction and the estab-
- 13 lishment, administration and enforcement of defensible space requirements;
- 14 (b) A status report regarding the establishment and administration
- 15 of the neighborhood protection cooperative grant program described
- in section 1 of this 2025 Act, including recommendations for improving
- 17 administration of the program;
- [(b)] (c) The amount of moneys expended during the year for community
- 19 risk reduction and the establishment, administration or enforcement of
- 20 defensible space requirements;
- 21 [(c)] (d) The amount of moneys expended during the year for the sup-
- 22 pression of fires on wildland-urban interface lands; and
- [(d)] (e) Any recommendations of the State Fire Marshal for legislative
- 24 action, including, but not limited to[,]:
- 25 (A) Current or future resource and funding needs for community risk re-
- 26 duction [and];
- 27 (B) Establishing, administering or enforcing defensible space
- 28 requirements[.]; and
- 29 (C) Improving the neighborhood protection cooperative grant pro-
- 30 gram described in section 1 of this 2025 Act.

HOMEOWNER INSURANCE RISK REDUCTION CERTIFICATION
PROGRAM REPORT

### **SECTION 5.** (1) As used in this section:

- (a) "Homeowner insurance" has the meaning given that term in ORS 746.600.
- (b) "Wildfire risk mitigation action" has the meaning given that term in ORS 742.277.
- (2) In consultation with representatives from the insurance industry, with the Department of the State Fire Marshal and with the State Forestry Department, the Department of Consumer and Business Services shall develop a plan and implementation timeline for establishing a homeowner insurance risk reduction certification program that:
- (a) Identifies wildfire risk mitigation actions, including actions taken under the neighborhood protection cooperative grant program described in section 1 of this 2025 Act, that may result in lower costs, or better terms, for homeowner insurance policies.
- (b) Is informed by discussion with decision makers in the insurance industry.
- (3) On or before December 1, 2026, the Department of Consumer and Business Services shall submit a preliminary report to committees or interim committees of the Legislative Assembly relating to natural resources, in the manner prescribed in ORS 192.245, and to the Governor, that:
  - (a) Describes actions taken under subsection (2) of this section; and
- (b) Suggests a date for submission of a subsequent, more complete report on actions described in subsection (2) of this section.
- 28 SECTION 6. Section 5 of this 2028 Act is repealed on January 2, 2028.

#### APPROPRIATION

# LC 3374 10/15/24

1	SECTION 7. In addition to and not in lieu of any other appropri-
2	ation, there is appropriated to the State Fire Marshal, for the
3	biennium beginning July 1, 2025, out of the General Fund, the amount
4	of \$5,000,000, for deposit in the Neighborhood Protection Cooperative
5	Grant Program Fund established by section 3 of this 2025 Act, to be
6	expended as described in section 3 of this 2025 Act.
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8	CAPTIONS
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10	SECTION 8. The unit captions used in this 2025 Act are provided
11	only for the convenience of the reader and do not become part of the
12	statutory law of this state or express any legislative intent in the
13	enactment of this 2025 Act.
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15	EFFECTIVE DATE
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17	SECTION 9. This 2025 Act being necessary for the immediate pres-
18	ervation of the public peace, health and safety, an emergency is de-
19	clared to exist, and this 2025 Act takes effect on its passage.