

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2985 A

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Establishes a Prescribed Fire Liability Pilot Program established by the Department of Forestry to increase the use of prescribed fire and cultural burning, reduce barriers to conducting these burns, and support coverage for losses incurred by nonpublic entities. Requires the Department of Consumer and Business Services to administer reimbursements for claims under the program.

Government Unit(s) Affected:

Department of Consumer and Business Services, Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, Coquille Indian Tribe, Klamath Tribes, Burns Paiute Tribe, Cow Creek Band of Umpqua Indians, Confederated Tribes of Grand Ronde, Confederated Tribes of Siletz, Confederated Tribes of Warm Springs, Counties, Department of Forestry, Confederated Tribes of Umatilla Indian Reservation

Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Analysis: The measure establishes a Prescribed Fire Liability Pilot Program to be administered by the Oregon Department of Forestry (ODF). The program is intended to increase the pace and scale of prescribed fire and cultural burning, reduce barriers for conducting burns, and support coverage from losses by nonpublic entities. The measure establishes the Prescribed Fire Claims Fund in the Department of Consumer and Business Services (DCBS) and appropriates \$10 million General Fund for the purposes of paying claims for losses arising from a prescribed fire or cultural burn up to a maximum of \$1 million. ODF is directed to adopt rules, in consultation with DCBS, to adopt a streamlined claims payment process and ODF will be responsible for reviewing and approving claims. In addition, the measure requires ODF and DCBS to report on the progress of the program to the Legislative Assembly by April 1, 2028.

The fund would be used to pay for claims for losses arising from prescribed fires or cultural burns, on tribal lands, private timber lands, state forest lands, and federal forest lands, when specified conditions related to those burns are met. ODF anticipates needing one Natural Resource Specialist 3 (0.875 FTE) to investigate and compile incident reports for the review and potential approval of claims. ODF will also need a vehicle for the potential amount of travel that may be required. Overall, ODF estimates the program would cost \$262,504 General Fund in the 2023-25 biennium and \$243,362 General Fund in the 2025-27 biennium. The Legislative Fiscal Office notes that although ODF was able to quantify certain costs associated with the investigation of incidents, the number, frequency, and severity of those incidents is not predictable. Additionally, ODF intends to use a rules advisory committee to assist with the rule making process which may identify additional operational needs of the program which were not identified in its fiscal impact statement, as the agency does not have direct experience in developing or managing a program of this type.

DCBS anticipates that the requirements of the measure can be met with current resources.

The Legislative Commission on Indian Services was consulted and believes that this measure may have a fiscal impact on the federally recognized Indian Tribes in Oregon but was unable to compile responses from the Tribes

before this measure came before the committee. In absence of this information, the fiscal impact for the Tribes is indeterminate.

The measure has a subsequent referral to the Joint Committee on Ways and Means.