SUBCOMMITTEE RECOMMENDATION

Item 51: Department of Forestry

2026 Fire Season

To:	Emergency Board
From:	Natural Resources Subcommittee
Carrier:	Senator Golden

The Natural Resources Subcommittee heard a request from the Department of Forestry on the 2026 fire season.

The agency submitted a preliminary report detailing the 2026 fire season to date, which has already surpassed previous years in terms of acres burned and net costs to the state. As of August 20, 2026, emergency fire costs totaled approximately $236.2 million, and after federal cost recoveries, grants, and contributions, the net cost was roughly $157.4 million. Several weeks remain before fire season closes, and the agency estimates a total cost of $350 million for the 2026 season. The Department of Forestry requested $77.9 million General Fund from two special purpose appropriations to the Emergency Board to cover a portion of the season's fire costs. Since the agency is responsible for paying gross fire costs and managing cash flows while waiting for anticipated revenues, it is utilizing all available internal resources and intends to borrow from the Oregon State Treasury, in accordance with HB 3940, to remain solvent and continue paying vendors without delay. Allocating an additional $30 million from the Emergency Fund will help with the agency's cash flow through December 2026, cover additional net costs beyond projections, and potentially lessen the need for the anticipated Treasury borrowing.

The Natural Resources Subcommittee recommends that the Emergency Board acknowledge receipt of the report and allocate $66,040,014 General Fund from the special purpose appropriation made to the Emergency Board for natural disaster prevention, preparedness, response, and recovery and allocate $30,000,000 General Fund from the Emergency Fund to the Department of Forestry to cover a portion of the 2026 fire season net large fire costs; allocate $11,832,630 General Fund from the special purpose appropriation made to the Emergency Board for fire protection expenses to the Department of Forestry for severity costs; and increase Other Funds expenditure limitation for the Department of Forestry, Fire Protection, by $250,000,000 for processing payments related to the 2026 fire season.