

Requested by Representative LIVELY

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 3940**

1 On page 1 of the printed A-engrossed bill, line 2, after “wildfire;” delete
2 the rest of the line and lines 3 through 6 and insert “creating new provisions;
3 amending ORS 242.702, 291.055, 321.005, 321.011, 321.012, 321.015, 476.565,
4 477.001, 477.205, 477.230, 477.232, 477.270, 477.277, 477.281, 477.295, 477.440,
5 477.445, 477.450, 477.455, 477.460, 477.750, 477.755, 477.760, 477.770, 477.775,
6 477.777, 478.010, 478.120 and 478.140 and section 20, chapter 592, Oregon Laws
7 2021; repealing ORS 476.310, 476.320, 476.330, 476.340, 477.415, 477.880, 477.960
8 and 477.970; prescribing an effective date; and providing for revenue raising
9 that requires approval by a three-fifths majority.”.

10 Delete lines 9 through 19 and delete pages 2 through 20 and insert:

11

12 **“BEVERAGE CONTAINER SURCHARGE**

13

14 **“SECTION 1. Section 2 of this 2025 Act is added to and made a part**
15 **of ORS 459A.700 to 459A.744.**

16 **“SECTION 2. (1) A dealer shall collect a five cent surcharge on each**
17 **beverage container sold in this state. At least once per quarter, a**
18 **dealer shall transfer the full amount of surcharges collected under this**
19 **section in equal shares to the Department of the State Fire Marshal**
20 **and the State Forestry Department.**

21 **“(2)(a) The Department of the State Fire Marshal shall deposit**

1 amounts received under this section in the State Fire Marshal
2 Mobilization Fund established under ORS 476.565.

3 “(b) The State Forestry Department shall deposit amounts received
4 under this section in the State Forestry Department Large Wildfire
5 Fund established under section 10 of this 2025 Act.

6 “(3) The Oregon Liquor and Cannabis Commission, in consultation
7 with the Department of the State Fire Marshal and the State Forestry
8 Department, shall adopt rules necessary for the administration of this
9 section.

10

11

“INSURANCE RETALIATORY TAX

12

13 “SECTION 3. (1) Once per year, the Department of Consumer and
14 Business Services shall determine the aggregate amount of revenue
15 collected by the department pursuant to the retaliatory tax imposed
16 on insurers under ORS 731.854.

17 “(2)(a) The department shall transfer an amount equal to half of the
18 amount determined under subsection (1) of this section to the De-
19 partment of the State Fire Marshal for deposit in the State Fire Mar-
20 shal Mobilization Fund established under ORS 476.565.

21 “(b) The Department of Consumer and Business Services shall
22 transfer an amount equal to half of the amount determined under
23 subsection (1) of this section to the State Forestry Department for
24 deposit in the State Forestry Department Large Wildfire Fund estab-
25 lished under section 10 of this 2025 Act.

26

27

“ENDING BALANCE

28

29 “SECTION 4. (1) Except as provided in subsection (2) of this section,
30 immediately after the time of each transfer to the Oregon Rainy Day

1 Fund under ORS 293.146, an amount equal to one-half percent of the
2 amount of General Fund appropriations for the preceding biennium
3 shall be transferred in equal shares from the General Fund to the
4 State Fire Marshal Mobilization Fund established under ORS 476.565
5 and to the State Forestry Department Large Wildfire Fund established
6 under section 10 of this 2025 Act.

7 “(2) If the remaining ending balance does not equal or exceed the
8 amount required to be transferred under subsection (1) of this section,
9 then an amount equal to the remaining ending balance shall be
10 transferred in equal shares from the General Fund to the State Fire
11 Marshal Mobilization Fund established under ORS 476.565 and to the
12 State Forestry Department Large Wildfire Fund established under
13 section 10 of this 2025 Act.

14 “(3) As used in this section:

15 “(a) ‘Ending balance’ has the meaning given that term in ORS
16 293.146.

17 “(b) ‘General Fund appropriations’ has the meaning given that term
18 in ORS 293.146.

19 “(c) ‘Remaining ending balance’ means an ending balance, minus
20 the amount actually transferred to the Oregon Rainy Day Fund under
21 ORS 293.146 after the biennium to which the ending balance relates.

22

23 “OREGON RAINY DAY FUND

24

25 “SECTION 5. (1) Notwithstanding ORS 293.144, an amount equal to
26 25 percent of the amount held in the Oregon Rainy Day Fund imme-
27 diately prior to the transfers required under this section is transferred
28 from the Oregon Rainy Day Fund to the State Fire Marshal
29 Mobilization Fund established under ORS 476.565. The transfer shall
30 be made on September 1, 2025.

1 “(2) Notwithstanding ORS 293.144, an amount equal to 25 percent
2 of the amount held in the Oregon Rainy Day Fund immediately prior
3 to the transfers required under this section is transferred from the
4 Oregon Rainy Day Fund to the State Forestry Department Large
5 Wildfire Fund established under section 10 of this 2025 Act. The
6 transfer shall be made on September 1, 2025.

7
8 **“FOREST PRODUCTS HARVEST TAX FOR**
9 **WILDFIRE MITIGATION AND SUPPRESSION**

10
11 **“SECTION 5a.** ORS 321.011 is amended to read:

12 “321.011. The prevention and suppression of, **and preparedness for**, for-
13 est fires on forestlands for the preservation of forest resources and the con-
14 tinuous growth of timber on lands suitable therefor, are declared to be the
15 public policy of the State of Oregon. The Legislative Assembly recognizes
16 that:

17 “(1) The forested areas situated within eastern Oregon predominate in
18 Ponderosa pine trees and associated species, and that the forested areas sit-
19 uated within western Oregon predominate in Douglas fir and associated
20 species;

21 “(2) Because of this difference in species, different forest fire protection
22 problems exist in eastern and western Oregon, and different logging condi-
23 tions and circumstances in each necessitate varied forest practices in the
24 disposal of forest slashings and debris; and

25 “(3) Therefore, in order to give recognition to such differences and their
26 effect on the accomplishment of the public policy stated in this section, cer-
27 tain classifications of forestlands within the State of Oregon are established
28 by ORS 321.005 to 321.185 and 321.560 to 321.600.

29 **“SECTION 5b.** ORS 321.012 is amended to read:

30 “321.012. The Legislative Assembly finds that it is in the interest of the

1 State of Oregon that the public as a whole share responsibility for protecting
2 the forests of this state, by making funds available [*from time to time*] for
3 suppression of fires [*caused by the public*].

4 **“SECTION 6.** ORS 321.015 is amended to read:

5 “321.015. (1) For the calendar years beginning January 1, 2024, and Janu-
6 ary 1, 2025, there is levied a privilege tax of 90.00 cents per thousand feet,
7 board measure, upon taxpayers for the privilege of harvesting of all
8 merchantable forest products harvested on forestlands. Subject to ORS
9 321.145, the proceeds of the tax shall be transferred as provided in ORS
10 321.152 (2) to the Forest Research and Experiment Account for use for the
11 forest resource research, experimentation and studies described in ORS
12 526.215 and for the Forest Research Laboratory established under ORS
13 526.225.

14 “(2)(a) [*Except as provided in ORS 477.760,*] In addition to the tax levied
15 by subsection (1) of this section, there is levied a forest products harvest tax
16 upon taxpayers of [*62.5 cents*] **one dollar** per thousand feet, board measure,
17 for the privilege of harvesting all merchantable forest products harvested on
18 forestlands for the payment of benefits related to fire suppression as provided
19 in ORS 321.005 to 321.185, 321.560 to 321.600 and 477.440 to 477.460.

20 **“(b)(A) The rate set under paragraph (a) of this subsection for any**
21 **calendar year shall be adjusted by the percentage, if any, by which the**
22 **monthly averaged Consumer Price Index for All Urban Consumers,**
23 **West Region (All Items) for the 12 consecutive months ending August**
24 **31 of the prior calendar year exceeds the monthly averaged index for**
25 **the 12 consecutive months ending August 31, 2024.**

26 **“(B) The adjusted rate computed under subparagraph (A) of this**
27 **paragraph shall be rounded to the nearest one-tenth of a cent.**

28 “(3) For the calendar years beginning January 1, 2024, and January 1,
29 2025, in addition to the taxes levied under subsections (1) and (2) of this
30 section, there is levied a privilege tax upon taxpayers for the privilege of

1 harvesting all merchantable forest products harvested on forestlands in the
2 amount of 253.46 cents per thousand feet, board measure, for the purpose of
3 administering the Oregon Forest Practices Act in an amount not to exceed
4 40 percent of the total expenditures approved by the Legislative Assembly for
5 this purpose, including salary adjustments approved by the Legislative As-
6 sembly for fiscal years 2024 and 2025.

7 “(4) For the calendar years beginning January 1, 2024, and January 1,
8 2025, in addition to the taxes levied by subsections (1) to (3) of this section,
9 there is levied a privilege tax of 21 cents per thousand feet, board measure,
10 upon taxpayers for the privilege of harvesting all merchantable forest pro-
11 ducts harvested on forestlands. Subject to ORS 321.145, the proceeds of the
12 tax shall be transferred as provided in ORS 321.152 (5) to the subaccount
13 established pursuant to ORS 350.520 for use by Oregon State University for
14 the purpose of making investments in professional forestry education at the
15 College of Forestry.

16 “(5) Subject to subsection (6) of this section, the taxes shall be measured
17 by and be applicable to each per thousand feet, board measure, on the total
18 quantity of forest products harvested in this state measured by use of any
19 log scale which is or may be in general use in the logging industry and
20 which is designed to measure total volume of merchantable forest products
21 in board feet. However, if the Department of Revenue finds that the scale
22 used by any taxpayer in computing the taxes due under ORS 321.005 to
23 321.185 and 321.560 to 321.600 does not accurately reflect the total quantity
24 of merchantable forest products harvested by the taxpayer, it may require the
25 taxpayer to adopt another log scale in general use in the industry which in
26 the department’s opinion will accurately reflect merchantable harvest in
27 board feet.

28 “(6) The first 25,000 feet, board measure, of forest products harvested an-
29 nually by any taxpayer during each calendar year shall be excluded from the
30 total quantity of harvested forest products that constitutes the measure of

1 the taxes under ORS 321.005 to 321.185 and 321.560 to 321.600.

2 “(7)(a) Not later than March 10 of each odd-numbered year, the Legisla-
3 tive Assembly shall begin considering the biennial forest products harvest
4 tax rates levied under subsections (1), (3) and (4) of this section.

5 “(b) Upon request of the Legislative Revenue Officer or the Legislative
6 Fiscal Officer, the State Forestry Department shall provide the respective
7 officers with relevant timber harvest data for the purposes of paragraph (a)
8 of this subsection.

9 **“SECTION 7. The amendments to ORS 321.015 by section 6 of this**
10 **2025 Act apply to calendar years beginning on or after January 1, 2026.**

11 **“SECTION 8. ORS 321.005 is amended to read:**

12 “321.005. As used in ORS 321.005 to 321.185[,] **and** 321.560 to 321.600 [*and*
13 *477.440 to 477.460*], unless the context requires otherwise:

14 “[*(1) ‘Board’ means the State Board of Forestry.*]

15 “[*(2) ‘Protected forestlands’ means those lands which are protected from the*
16 *starting or spread of fire thereon or therefrom by:*]

17 “[*(a) The State Forester, with the approval of the board;*]

18 “[*(b) The United States of America through contract with the State*
19 *Forester;*]

20 “[*(c) Any forest protective agency under contract with the State Forester or*
21 *the board pursuant to ORS 477.406; or*]

22 “[*(d) Any forest protective agency, described in paragraph (c) of this sub-*
23 *section, under an agreement with the United States of America wherein such*
24 *agency agrees to protect specific federal forestlands and, in return, the United*
25 *States of America agrees to protect specific lands of such agency.*]

26 “[*(3) ‘Department’ means the Department of Revenue.*]

27 “[*(4) ‘Committee’ means the Emergency Fire Cost Committee.*]

28 **“(1) ‘Consumer Price Index for All Urban Consumers, West Region**
29 **(All Items)’ means the Consumer Price Index for All Urban Consum-**
30 **ers, West Region (All Items), as published by the Bureau of Labor**

1 **Statistics of the United States Department of Labor.**

2 “[5] (2) ‘Forestland’ means any land producing forest products.

3 “[6] (3) ‘Forest products’ means products from harvested timber, but does
4 not include products from short rotation fiber grown under agricultural
5 conditions as described in ORS 321.267 (3) or 321.824 (3), western juniper or
6 products from harvested western juniper.

7 “[7] (4) ‘Harvest’ means the point at which timber that has been cut,
8 severed, or removed for purposes of sale or use is first measured in the or-
9 dinary course of business as determined by reference to common practice in
10 the timber industry.

11 “[8] (5) ‘Merchantable stand of timber’ means any stand on forestlands
12 containing living or dead timber which is being or can be harvested.

13 “[9] *‘Taxpayer’ means the owner of timber at time of harvest.*]

14 **“(6) ‘Owner of timber’ means any individual or combination of in-
15 dividuals, partnership, firm, corporation or association of whatever
16 nature holding title to harvested timber by virtue of:**

17 **“(a) An instrument of conveyance;**

18 **“(b) The harvesting of the timber; or**

19 **“(c) The harvesting of the timber and payment therefor.**

20 “[10] (7) ‘Taxes’ means the taxes provided for in ORS 321.015.

21 “[11] *‘Owner of timber’ means any individual or combination of individ-
22 uals, partnership, firm, corporation or association of whatever nature holding
23 title to harvested timber by virtue of:]*

24 *“(a) An instrument of conveyance;]*

25 *“(b) The harvesting of the timber; or]*

26 *“(c) The harvesting of the timber and payment therefor.]*

27 **“(8) ‘Taxpayer’ means the owner of timber at time of harvest.**

28 “[12] (9) ‘Timber’ means all logs which can be measured in board feet
29 and other forest products as determined by department rule.

30 **“SECTION 9. ORS 477.415 is repealed.**

1 dations regarding wildfire risk reduction on forestland and rangeland and in
2 communities, based on information obtained from the projects described in
3 [section 18, chapter 592, Oregon Laws 2021,] **ORS 477.503** to an interim com-
4 mittee of the Legislative Assembly related to natural resources, in the man-
5 ner provided by ORS 192.245, and to the Governor, State Wildfire Programs
6 Director and Wildfire Programs Advisory Council no later than July 15, 2023.
7 The report shall include, but need not be limited to:

8 “(A) A qualitative and quantitative summary of the project outcomes that,
9 at a minimum, states the number of acres treated, the treatment actions
10 carried out and any resulting or anticipated changes in landscape conditions
11 related to enhanced resiliency or the mitigation of wildfire risk to public
12 values;

13 “(B) The identification of barriers to more efficient implementation and
14 achievement of goals in future wildfire risk reduction projects;

15 “(C) A qualitative and quantitative summary of the use of prescribed fire
16 activities and invasive annual grass treatments for wildfire risk reduction
17 that, at a minimum, states the number of acres burned or treated and any
18 resulting or anticipated changes in landscape conditions related to enhanced
19 resiliency or the mitigation of wildfire risk to public values;

20 “(D) The identification of existing disincentives to, and recommendation
21 for reducing barriers to, the use of prescribed fire;

22 “(E) Recommendations for creating optimal working relationships with
23 forestland or rangeland collaboratives and other relevant community organ-
24 izations regarding future wildfire risk reduction projects;

25 “(F) A description of the funding source types and amounts secured by the
26 department as matching funds to carry out projects; and

27 “(G) Recommendations for investment in future wildfire risk reduction
28 projects to be carried out in the 2023-2025 biennium.

29 “(b) In developing the report required under this subsection, the depart-
30 ment shall work in coordination with federal land management agencies,

1 institutions of higher education and third parties to develop consistent per-
2 formance measurements and condition-based metrics for monitoring and
3 communicating the effectiveness of state investments and project actions in
4 reducing wildfire risk on public or private forestlands and rangelands and
5 in communities.

6

7 **“STATE FORESTRY DEPARTMENT LARGE WILDFIRE FUND**

8

9 **“SECTION 10. (1) The State Forestry Department Large Wildfire**
10 **Fund is established in the State Treasury, separate and distinct from**
11 **the General Fund.**

12 **“(2) The State Forestry Department Large Wildfire Fund shall be**
13 **held by the State Treasurer as a fund for use by the State Forestry**
14 **Department for wildfire mitigation and suppression. The State Treas-**
15 **urer shall deposit and invest moneys in the fund as provided by law,**
16 **taking into account its uses. Interest earned by the fund shall be**
17 **credited to the fund.**

18 **“(3) The fund consists of moneys appropriated by the Legislative**
19 **Assembly for deposit in the fund and other moneys appropriated to,**
20 **allocated to, deposited in or transferred to the fund by the Legislative**
21 **Assembly or otherwise.**

22 **SECTION 10a. (1) Except as provided in subsection (2) of this sec-**
23 **tion, the State Forestry Department may transfer moneys from the**
24 **State Forestry Department Large Wildfire Fund to other funds or ac-**
25 **counts that are continuously appropriated to the department as the**
26 **department deems necessary to carry out its duties.**

27 **“(2) The department may not transfer moneys from the State**
28 **Forestry Department Large Wildfire Fund to the Oregon Forest Land**
29 **Protection Fund.**

30

1 **“DEFINITION OF ‘CENTRALIZED ADMINISTRATION COSTS’**

2
3 **“SECTION 11.** ORS 477.001 is amended to read:

4 “477.001. As used in this chapter[, *unless the context otherwise requires*]:

5 “(1) ‘Additional fire hazard’ means a hazard that has been determined to
6 exist by the forester pursuant to ORS 477.580.

7 “(2) ‘Board’ means the State Board of Forestry.

8 “(3) ‘Campfire’ means any open fire used for cooking, personal warmth,
9 lighting, ceremonial or aesthetic purposes that is hand built and that is not
10 associated with any debris disposal activities.

11 **“(4) ‘Centralized administration costs’ means all costs associated**
12 **with:**

13 **“(a) Administration of the State Forestry Department;**

14 **“(b) The following services, provided statewide and in areas of this**
15 **state by the department:**

16 **“(A) Fire management on forestland;**

17 **“(B) Emergency response and support; and**

18 **“(C) Other services not described in this paragraph; and**

19 **“(c) The procurement of supplies related to purposes described in**
20 **this subsection.**

21 “[(4)] (5) ‘Department’ means the State Forestry Department.

22 “[(5)] (6) ‘District’ means a forest protection district organized under ORS
23 477.225.

24 “[(6)] (7) ‘Every reasonable effort’ means the use of the reasonably avail-
25 able personnel and equipment under the supervision and control of an owner
26 or operator, which are needed and effective to fight the fire in the judgment
27 of the forester and which can be brought to bear on the fire in a timely
28 fashion.

29 “[(7)] (8) ‘Fire season’ means a period designated pursuant to ORS 477.505.

30 “[(8)] (9) ‘Fiscal year’ means the period beginning on July 1 of any year

1 and ending on June 30 of the next year.

2 “[9] (10) ‘Forestland’ means any woodland, brushland, timberland,
3 grazing land or clearing that, during any time of the year, contains enough
4 forest growth, slashing or vegetation to constitute, in the judgment of the
5 forester, a fire hazard, regardless of how the land is zoned or taxed. As used
6 in this subsection, ‘clearing’ means any grassland, improved area, lake,
7 meadow, mechanically or manually cleared area, road, rocky area, stream or
8 other similar forestland opening that is surrounded by or contiguous to
9 forestland and that has been included in areas classified as forestland under
10 ORS 526.305 to 526.370.

11 “[10] (11) ‘Forest patrol assessment’ means the costs levied and assessed
12 under ORS 477.270.

13 “[11] (12) ‘Forest protective association’ or ‘association’ means an asso-
14 ciation, group or agency composed of owners of forestlands, organized for the
15 purpose of protecting such forestlands from fire.

16 “[12] (13) ‘Forest resource’ means the various types of vegetation
17 normally growing on Oregon’s forestland, the associated harvested products
18 and the associated residue, including but not limited to brush, grass, logs,
19 saplings, seedlings, trees and slashing.

20 “[13] (14) ‘Forester’ means the State Forester or authorized represen-
21 tative.

22 “[14] (15) ‘Governing body’ of a county means the county court or board
23 of county commissioners.

24 “[15] (16) ‘Grazing land’ is defined by ORS 477.205.

25 “[16] (17) ‘Open fire’ means any outdoor fire that occurs in such a
26 manner that combustion air is not effectively controlled and combustion
27 products are not effectively vented through a stack or chimney.

28 “[17] (18) ‘Operation’ means any industrial activity, any development or
29 any improvement on forestland inside or within one-eighth of one mile of a
30 forest protection district, including but not limited to the harvesting of for-

1 est tree species, the clearing of land, the use of power-driven machinery and
2 the use of fire, excluding, however, the culture and harvesting of agricultural
3 crops.

4 “[18] (19) ‘Operation area’ means the area on which an operation is be-
5 ing conducted and the area on which operation activity may have resulted
6 in the ignition of a fire.

7 “[19] (20) ‘Operation in progress’ means that time when workers are on
8 an operation area for the purpose of an operation, including the period of
9 time when fire watches are required to be on the operation area pursuant
10 to ORS 477.665.

11 “[20] (21) ‘Operator’ means any person who, either personally or through
12 employees, agents, representatives or contractors, is carrying on or has car-
13 ried on any operation.

14 “[21] (22) ‘Owner’ means an individual, a combination of individuals, a
15 partnership, a corporation, the State of Oregon or a political subdivision
16 thereof, or an association of any nature that holds an ownership interest in
17 land.

18 “[22] (23) ‘Political subdivision’ includes, but is not limited to, counties,
19 cities and special districts.

20 “[23] (24) ‘Rangeland’ is defined by ORS 477.315.

21 “[24] (25) ‘Routine road maintenance’ is defined by ORS 477.625.

22 “[25] (26) ‘Side’ means any single unit of a logging operation employing
23 power-driven machinery.

24 “[26] (27) ‘Slashing’ means the forest debris or refuse on any forestland
25 resulting from the cutting, killing, pruning, severing or removal of brush,
26 trees or other forest growth.

27 “[27] (28) ‘State Forester’ means the person appointed State Forester
28 pursuant to ORS 526.031 or the person serving in the position on an interim
29 or delegated basis.

30 “[28] (29) ‘Summit of the Cascade Mountains’ is considered to be a line

1 beginning at the intersection of the northern boundary of the State of
2 Oregon and the western boundary of Wasco County; thence southerly along
3 the western boundaries of Wasco, Jefferson, Deschutes and Klamath Coun-
4 ties to the southern boundary of the State of Oregon.

5 “[29] (30) ‘Timberland’ is defined by ORS 477.205.

6 “[30] (31) ‘Warden’ means a fire warden appointed under ORS 477.355.

7

8 “FOREST PROTECTION DISTRICTS

9

10 “**SECTION 12.** ORS 477.205 is amended to read:

11 “477.205. As used in ORS 477.205 to 477.281[, *unless the context requires*
12 *otherwise*]:

13 “(1) **‘Budget’ means an estimate of the amount of moneys a forest**
14 **protection district needs for preparedness for, and for the prevention**
15 **and suppression of, forest fires on forestland, not including centralized**
16 **administration costs.**

17 “[1] (2) ‘Grazing land’ means forestland, within a forest protection dis-
18 trict, that has been classified as Class 3, agricultural class, as provided by
19 ORS 526.305 to 526.370.

20 “[2] (3) ‘Timberland’ means forestland, within a forest protection dis-
21 trict, that has not been classified as Class 3, agricultural class, under ORS
22 526.305 to 526.370.

23 “**SECTION 13.** ORS 477.230 is amended to read:

24 “477.230. (1) The annual cost of protection provided by the [*forester*] **State**
25 **Forester** for forestland within a forest protection district shall be as [*fol-*
26 *lows*:] **described in this section.**

27 “[*a*] (2)(a) Grazing land within the district shall be protected by the
28 [*forester*] **State Forester** at a pro rata cost **of not less than 30 cents** per
29 acre for all grazing land within the district boundary. However, forest patrol
30 assessments levied and assessed under ORS 477.270 against such lands that

1 are not owned by public agencies, **including grazing land owned in fee**
2 **by a federally recognized Indian tribe in this state or by a member of**
3 **a federally recognized Indian tribe in this state**, may not exceed one-half
4 of the pro rata cost per acre[, *exclusive of any assessment per acre under ORS*
5 *477.880*].

6 “(b)(A) **Except as provided by subparagraph (B) of this paragraph,**
7 **the rates established by paragraph (a) of this subsection shall be ad-**
8 **justed annually for inflation since 2025 based on the Consumer Price**
9 **Index for All Urban Consumers, West Region (All Items), as published**
10 **by the Bureau of Labor Statistics of the United States Department of**
11 **Labor.**

12 “(B) **If the annual adjustment under this paragraph results in a rate**
13 **that is lower than the rate for the previous year, the rate shall remain**
14 **unchanged from the previous year.**

15 “[*b*] (3) Timberland within the district shall be protected by the
16 [*forester*] **State Forester** at a pro rata cost per acre for all timberland within
17 the district boundary. However, forest patrol assessments levied and assessed
18 under ORS 477.270 against [*such lands*] **timberland** that [*are*] **is not owned**
19 **by public agencies, including timberland owned in fee by a federally**
20 **recognized Indian tribe in this state or by a member of a federally re-**
21 **cognized Indian tribe in this state**, may not exceed one-half of the pro rata
22 cost per acre[, *exclusive of any assessment per acre under ORS 477.880*].

23 “[*2*] (4) The cost of protection described in this section shall be in ac-
24 cordance with a budget for the district approved by the State Board of
25 Forestry.

26 “**SECTION 14.** ORS 477.270 is amended to read:

27 “477.270. (1) Subject to the forest patrol assessment limitations set forth
28 in ORS 477.230:

29 “(a) The budgeted cost of the forester, as provided for in ORS 477.205 to
30 477.281, in providing protection for privately owned forestland shall be a lien

1 upon such property, shall be reported by the forester to the governing body
2 of the county in which the lands are situated on or after July 1 of each fiscal
3 year, and shall be levied and collected by the governing body with the next
4 taxes on the land in the same manner and with the same interest, penalty
5 and cost charges as apply to ad valorem property taxes in this state. The
6 governing body shall instruct the proper officer to extend the amounts on the
7 assessment roll in a separate account, and the procedure provided by law for
8 the collection of taxes and delinquent taxes shall apply. Upon collection
9 thereof, the governing body shall repay the entire amount collected to the
10 forester.

11 “(b) In lieu of the procedures under paragraph (a) of this subsection, the
12 forester, under the direction of the State Board of Forestry, may make direct
13 billing of the budgeted cost to owners of forestland and receive payment of
14 the cost therefrom. In the event that under such billing procedures any
15 owners fail to make payment, the unpaid budgeted cost shall become a lien
16 against the property so billed and shall be levied and collected with the next
17 taxes on such property as described in paragraph (a) of this subsection.

18 “(c) The budgeted cost of the forester in providing protection for
19 forestland owned by the state or by a political subdivision shall be paid to
20 the forester on or before the first day of January of the fiscal year for which
21 such protection is to be provided.

22 “(2) Except as provided in ORS 477.230 [(2)] (4), all moneys received by
23 the forester pursuant to this section shall be paid into the State Treasury,
24 credited to the State Forestry Department Account and used exclusively for
25 the purposes of ORS 477.205 to 477.281.

26 “**SECTION 14a.** ORS 477.232 is amended to read:

27 “477.232. Subject to the forest patrol assessment limitations set forth in
28 ORS 477.230:

29 “(1) Actual costs incurred by the [*forester in the prevention and sup-*
30 *pression of*] **State Forester in accordance with ORS 321.011 for adequate**

1 **protection against** fire on grazing land or timberland located within a for-
2 est protection district, in excess of the amount budgeted as required by ORS
3 477.230, but not including those costs eligible for [*equalization by the Oregon*
4 *Forest Land Protection Fund*] **emergency fire cost suppression from the**
5 **State Forestry Department Large Wildfire fund**, shall be, without regard
6 to proceedings for the collection of the costs:

7 “(a) Included in the budget **of a forest protection district** for the next
8 fiscal year; and

9 “(b) Levied and assessed against the grazing land or timberland in the
10 district.

11 “(2) Budgeted amounts not expended may be carried forward as a credit
12 to the assessment rate **for grazing land and timberland, as described in**
13 **ORS 477.230 (4)**, for the ensuing year.

14

15 **“MINIMUM ASSESSMENT AND SURCHARGE**

16

17 **“SECTION 15.** ORS 477.277 is amended to read:

18 “477.277. (1)(a) In addition to any other assessment prescribed by ORS
19 477.205 to 477.281, [*in any fiscal year in which the Emergency Fire Cost*
20 *Committee determines pursuant to ORS 477.760 that the unencumbered balance*
21 *of the Oregon Forest Land Protection Fund is less than \$22.5 million,*] a sur-
22 charge shall **annually** be levied and assessed in the amount of [~~\$47.50~~] **\$58**
23 for each improved lot or parcel[, *except as provided in ORS 477.760,*] to defray
24 the increased cost of fire suppression on forestland that is caused by the
25 existence of the improvements.

26 “(b)(A) **Except as provided in subparagraph (B) of this paragraph,**
27 **the surcharge established by paragraph (a) of this subsection shall be**
28 **adjusted annually for inflation since 2025 based on the Consumer Price**
29 **Index for All Urban Consumers, West Region (All Items), as published**
30 **by the Bureau of Labor Statistics of the United States Department of**

1 **Labor.**

2 **“(B) If the annual adjustment under this paragraph results in a**
3 **surcharge that is lower than the surcharge for the previous year, the**
4 **surcharge shall remain unchanged from the previous year.**

5 “(2) All surcharge moneys collected pursuant to this section shall be paid
6 into the Oregon Forest Land Protection Fund.

7 “(3) If an owner of forestland files a forest protection plan with the
8 forester which is approved by the State Board of Forestry under ORS 477.210
9 (2), the owner shall not be required to pay the surcharge levied under sub-
10 section (1) of this section.

11 “(4) Contiguous lots included in a combined lot that is described in ORS
12 477.295 [(3)(a)] **(2)(a)** and whose owner has made application to the forester
13 under ORS 477.295 [(4)] **(3)** are considered one lot for purposes of subsection
14 (1) of this section.

15 “(5) As used in this section, a lot or parcel is ‘improved’ if it is indicated
16 as improved in the county assessor’s property classification files or if a
17 manufactured dwelling is sited on the lot or parcel.

18 **“SECTION 16.** ORS 477.281 is amended to read:

19 “477.281. (1) The obligation of an owner of timberland or grazing land for
20 payment of assessments and taxes for fire protection of forestland is limited
21 to:

22 “(a) The payment of moneys pursuant to ORS 321.015 (2), 477.277[,] **and**
23 *477.295[, 477.760 (4) and 477.880 to maintain]* **into** the Oregon Forest Land
24 Protection Fund; and

25 “(b) The payment of forest protection district assessments pursuant to
26 ORS 477.205 to 477.281.

27 “(2) As used in this section, ‘obligation of an owner of timberland or
28 grazing land for payment of assessments and taxes for fire protection of
29 forestland’ does not include the duties or obligations of the owner under ORS
30 477.066, 477.068 or 477.120 or the obligations of an owner of land included in

1 a rural fire protection district pursuant to ORS 478.010.

2 **“SECTION 17.** ORS 477.295 is amended to read:

3 “477.295. (1)(a) For purposes of making the levy and assessment of costs
4 against forestland under ORS 477.270, the minimum cost to provide fire pro-
5 tection or suppression for any lot or parcel of real property separately as-
6 sessed for ad valorem taxes or other taxes provided by law in lieu thereof,
7 on the current assessment roll shall be not less than **\$20, which amount**
8 **must be paid into the Oregon Forest Land Protection Fund.** [*\$18.75,*
9 *except as provided in ORS 477.760. Three dollars and seventy-five cents of each*
10 *minimum assessment shall be paid into the Oregon Forest Land Protection*
11 *Fund. Otherwise,]* Such assessments shall be determined under ORS 477.230
12 and 477.270.

13 **“(b)(A) Except as provided in subparagraph (B) of this paragraph,**
14 **the minimum cost established by paragraph (a) of this subsection shall**
15 **be adjusted annually for inflation since 2025 based on the Consumer**
16 **Price Index for All Urban Consumers, West Region (All Items), as**
17 **published by the Bureau of Labor Statistics of the United States De-**
18 **partment of Labor.**

19 **“(B) If the annual adjustment under this paragraph results in a**
20 **minimum cost that is lower than the minimum cost for the previous**
21 **year, the minimum cost shall remain unchanged from the previous**
22 **year.**

23 “[*(2) In any fiscal year in which the Emergency Fire Cost Committee de-*
24 *termines pursuant to ORS 477.760 that the unencumbered balance of the*
25 *Oregon Forest Land Protection Fund has:]*

26 “[*(a) Increased to an amount:]*

27 “[*(A) More than \$22.5 million but less than or equal to \$30 million, the*
28 *minimum assessment referred to in subsection (1) of this section shall be \$16.88*
29 *for each lot or parcel. Of that amount, \$1.88 of each minimum assessment shall*
30 *be paid into the Oregon Forest Land Protection Fund.]*

1 “[B] More than \$30 million, the minimum assessment referred to in sub-
2 section (1) of this section shall be \$15 for each lot or parcel. This amount shall
3 be treated in the same manner as assessments under ORS 477.230 and
4 477.270.]

5 “[b] Decreased to an amount that is at or below \$22.5 million, the mini-
6 mum assessment referred to in subsection (1) of this section shall be \$18.75 for
7 each lot or parcel. This amount shall be treated in the same manner as as-
8 sessments under subsection (1) of this section.]

9 “[~~(3)~~] **(2)** Upon application to the [~~forester~~] **State Forester** under sub-
10 section [~~(4)~~] **(3)** of this section, contiguous lots held under identical owner-
11 ship shall be considered as one combined lot for purposes of subsection (1)
12 of this section. However, the following may not be included in a combined
13 lot:

14 “(a) Except as provided in this paragraph, a lot on which a structure has
15 been placed or improvements made for the purpose of erecting any temporary
16 or permanent structure. One lot on which a single-family dwelling has been
17 placed, and lots on which the structures and improvements that are
18 appurtenant to that single-family dwelling have been placed, may be included
19 in a combined lot that does not exceed 20 acres.

20 “(b) A lot that is in a subdivision containing lots that have been or are
21 being offered for sale.

22 “(c) A lot that is not designated forest or agricultural land for the pur-
23 pose of land use or special tax assessment purposes.

24 “[~~(4)~~] **(3)** To qualify under subsection [~~(3)~~] **(2)** of this section[,]:

25 “**(a)** An owner of forestland [~~shall~~] **must** make **an** application to the
26 [~~forester~~] **State Forester** no later than April 15 of the fiscal year preceding
27 [~~each~~] **the** fiscal year for which the owner desires the land to be assessed
28 under subsection [~~(3)~~] **(2)** of this section. The application [~~shall~~] **must** be on
29 a form prescribed by the State Forester. **The State Forester may charge**
30 a fee of \$25 per combined lot [~~shall~~], **to** be paid to the [~~forester~~] **State**

1 **Forester** at the time of *[first]* application for the combined lot.

2 “(b) After an application under paragraph (a) of this subsection is
3 approved, the owner of the forestland must apply again, as described
4 in paragraph (a) of this subsection, every five years. *[An additional]* The
5 State Forester may charge a fee of \$25 per combined lot *[shall]*, to be paid
6 to the *[forester]* State Forester at the time of subsequent application, *if an*
7 *application for the combined lot was not made for the previous fiscal year*.

8 “[5] (4) The State Board of Forestry may adopt rules for the adminis-
9 tration of the provisions of subsections *[(3) and (4)]* (2) and (3) of this sec-
10 tion.

11 “[6] (5) For the purposes of this section, ‘lot’ and ‘subdivision’ have the
12 meanings given those terms in ORS 92.010.

13

14 “EMERGENCY FIRE COST COMMITTEE

15

16 “SECTION 18. ORS 477.440 is amended to read:

17 “477.440. (1) As used in this section:

18 “(a) ‘Grazing land owner’ means an individual, combination of in-
19 dividuals, partnership, corporation or association that holds an own-
20 ership interest in grazing land in this state.

21 “(b) ‘Large forest owner’ means an individual, combination of in-
22 dividuals, partnership, corporation or association that holds an own-
23 ership interest in at least 5,000 acres of timberland in this state.

24 “(c) ‘Small forest owner’ means an individual, combination of indi-
25 viduals, partnership, corporation or association that holds:

26 “(A) An ownership interest in at least 10 acres, but less than 5,000
27 acres, of timberland in this state; and

28 “(B) All of the acres within a single tax lot and within contiguous
29 parcels owned by the same individual, combination of individuals,
30 partnership, corporation or association.

1 “~~[(1)]~~ **(2)** The State Board of Forestry shall appoint an Emergency Fire
2 **Cost Committee for the purpose of carrying out the provisions of this**
3 **section and ORS 477.445, 477.450, 477.455, 477.460, 477.755, 477.760, 477.770**
4 **and 477.775.**

5 **“(3) The committee may:**

6 **“(a) Make recommendations to the board concerning the minimum**
7 **qualifications for serving on the committee.**

8 **“(b) Establish standards, requirements or procedures that the**
9 **committee considers necessary for the effective administration of the**
10 **committee.**

11 **“(4) The committee shall consist** *[consisting]* **of** *[four]* **six** members,
12 **including one nonvoting representative of the board and five voting**
13 **members who are appointed by the board as follows:**

14 **“(a) Two members** who *[shall be]* **are, or are representatives of, large**
15 **forest** *[landowners or representatives of forest landowners]* **owners** whose
16 forestland is being assessed for forest fire protection within a forest pro-
17 tection district.

18 **“(b) One member who is, or is a representative of, a small forest**
19 **owner whose forestland is being assessed for forest fire protection**
20 **within a forest protection district.**

21 **“(c) One member who is, or is a representative of, an owner of**
22 **grazing land, as defined in ORS 477.205, whose grazing land is being**
23 **assessed for forest fire protection within a forest protection district.**

24 **“(d) One member appointed at large to represent one of the groups**
25 **identified in paragraphs (a) through (c) of this subsection.**

26 **“(5) The board shall appoint** at least one member *[shall be selected]* from
27 each forest region *[of the state]* **established under ORS 527.640.**

28 **“(6) Members shall serve at the pleasure of the board.**

29 “~~[(2)]~~ **(7)** Members *[of the Emergency Fire Cost Committee]* shall be ap-
30 pointed *[by the board]* for four-year terms. *[Appointments under this sub-*

1 *section shall be made by the board within 60 days after July 21, 1987.]*

2 “(8) If there is a vacancy for any cause, the board shall make an ap-
3 pointment to become immediately effective for the unexpired term.

4 **“SECTION 19. (1) The State Board of Forestry shall appoint the first**
5 **five voting members of the Emergency Fire Cost Committee described**
6 **in ORS 477.440 on or before December 31, 2025.**

7 **“(2) Notwithstanding ORS 477.440 (7), of the voting members of the**
8 **committee first appointed by the board:**

9 **“(a) One shall serve for a term ending one year after the date of**
10 **appointment.**

11 **“(b) One shall serve for a term ending two years after the date of**
12 **appointment.**

13 **“(c) One shall serve for a term ending three years after the date**
14 **of appointment.**

15 **“(d) Two shall serve for a term ending four years after the date of**
16 **appointment.**

17 **“(3) The board may appoint to the committee persons serving on the**
18 **committee on the effective date of this 2025 Act who qualify under ORS**
19 **477.440.**

20 **“SECTION 20.** ORS 477.445 is amended to read:

21 **“477.445. The Emergency Fire Cost Committee shall:**

22 **“(1) [*Supervise and control*] Oversee the distribution of funds from the**
23 **Oregon Forest Land Protection Fund established under ORS 477.750.**

24 **“(2) Review expenditures from the fund.**

25 **“(3) Review budgets for forest protection districts and provide rec-**
26 **ommendations on the budgets to the State Board of Forestry.**

27 **“(4) Prior to the beginning of each fiscal year, distribute payments**
28 **for the fiscal year budgets of forest protection districts to the State**
29 **Forestry Department and forest protection districts.**

30 **“SECTION 21.** ORS 477.450 is amended to read:

1 “477.450. (1) [After July 1, 1961,] The Emergency Fire Cost Committee
2 shall meet and elect one of its members **as** chairperson. [The chairperson
3 shall hold office for a period determined by the committee.]

4 “(2) Whenever the office of chairperson of the committee becomes vacant,
5 the committee at its next regular or special meeting shall elect one of its
6 members to fill the vacancy.

7 “**SECTION 22.** ORS 477.455 is amended to read:

8 “477.455. (1) Regular meetings of the Emergency Fire Cost Committee
9 shall be held quarterly [prior to the day set for meetings of the State Board
10 of Forestry, as otherwise provided by law].

11 “(2) Special meetings of the committee may be called by its chairperson
12 or by [three] **a majority of the voting** members.

13 “(3) The act or decision of [any three] **a majority of the voting** members
14 shall be deemed the act or decision of the committee.

15 “[2)] (4) A staff member of the State Forestry Department shall be des-
16 ignated by the State Forester to serve as administrator for the committee.

17 “(5) **The committee may employ staff members, in coordination**
18 **with the State Forester.**

19 “**SECTION 23.** ORS 477.460 is amended to read:

20 “477.460. (1) The administrator **described in ORS 477.455** shall:

21 “(a) Act as secretary of the Emergency Fire Cost Committee; and [shall]

22 “(b) Carry out the provisions of ORS 477.440 to 477.460 in such manner
23 as the committee shall direct.

24 “(2) The salary and other expenses of the administrator **and of staff**
25 **members** shall be paid from the Oregon Forest Land Protection Fund as are
26 other expenses of the committee.

27 “[2)] (3) Members of the committee are entitled to compensation and ex-
28 penses as provided in ORS 292.495.

29

30 “**OREGON FOREST LAND PROTECTION FUND**

1 **“SECTION 24.** ORS 477.750 is amended to read:

2 “477.750. (1) The Oregon Forest Land Protection Fund is created, separate
3 and distinct from the General Fund.

4 **“(2) [This fund] The Oregon Forest Land Protection Fund** shall be
5 held by the State Treasurer as a trust fund for the uses and purposes pro-
6 vided in ORS 477.750 to 477.775 [*and 477.880*].

7 **“(3) The State Treasurer shall deposit and invest moneys in the fund as**
8 provided by law, taking into account its uses and purposes. Interest earned
9 by the fund shall be credited to the fund. **If reimbursements are made for**
10 **payments from the Oregon Forest Land Protection Fund, such re-**
11 **imbursements shall be credited to the fund.**

12 “[(2)] (4) Notwithstanding any other law and as limited by ORS 477.750
13 to 477.775 [*and 477.880*], that part of the suspense account created by ORS
14 321.145 that is derived from the tax levied by ORS 321.015 (2) after refunds
15 and other costs permitted by law, shall be credited to the Oregon Forest
16 Land Protection Fund.

17 **“SECTION 25.** ORS 477.755 is amended to read:

18 “477.755. (1) As used in this section, ‘annual expenditure’ means the ex-
19 penses of the Oregon Forest Land Protection Fund obligated in any 12-month
20 period [*designated by the Emergency Fire Cost Committee by rule, corre-*
21 *sponding to the policy period of any insurance for emergency fire costs*], **con-**
22 **sistent with the fiscal year budgeting of the State Forestry**
23 **Department.**

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

27 “[(a) *Equalizing emergency fire suppression costs for safeguarding*
28 *forestland in any forest protection district;*]

29 **“(a) Making payments for the fiscal year budgets of forest pro-**
30 **tection districts, but not for centralized administration costs;**

1 “(b) Paying necessary *[administrative]* expenses, not to exceed the limit
2 authorized by the Legislative Assembly each biennium;

3 “*[(c) Contributing to the payment of emergency fire suppression costs in-*
4 *surance premiums, subject to the payment limitation established in ORS*
5 *477.775 (4);]*

6 “*[(d) Paying costs related to the availability and mobilization of emergency*
7 *fire suppression resources on a statewide basis; and]*

8 “*[(e)] (c) Paying for nonroutine purchases of supplemental fire prevention,*
9 *detection or suppression resources that will enhance the ability of the*
10 *forester to perform fire protection responsibilities within a forest protection*
11 *district[.]; and*

12 “**(d) Issuing loans to the department or forest protection associ-**
13 **ations that relate to necessary wildfire costs.**

14 “*[(3) Notwithstanding any other provision of law, the annual expenditure*
15 *from the Oregon Forest Land Protection Fund from revenues received from*
16 *ORS 321.015 (2), 477.277 (1), 477.295 (1) and (2), 477.750 (1) and (2), 477.760 (4)*
17 *and 477.880 may not exceed the lesser of:]*

18 “*[(a) \$13.5 million; or]*

19 “*[(b) The sum of:]*

20 “*[(A) The lesser of \$10 million or 50 percent of the eligible annual fire*
21 *suppression costs determined by the committee;]*

22 “*[(B) Necessary administrative expenses as determined by the committee*
23 *and authorized under the limit described in subsection (2)(b) of this section;]*

24 “*[(C) Contributions to the payment of emergency fire suppression costs in-*
25 *surance premiums, subject to the payment limitation established in ORS*
26 *477.775 (4);]*

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

29 “*[(E) Any amounts expended for nonroutine purchases described in sub-*
30 *section (2)(e) of this section.]*

1 **“SECTION 26.** ORS 477.760 is amended to read:

2 “477.760. [(1) *The reserve base of the Oregon Forest Land Protection Fund*
3 *is \$22.5 million. On or about the last day of February of each year*] the
4 Emergency Fire Cost Committee shall:

5 **“(1) Adopt rules relating to the administration of the Oregon Forest**
6 **Land Protection Fund.**

7 **“(2) [Meet and] Annually** determine the unencumbered balance of the
8 fund as of **the end of** the preceding [February 16] **calendar year.**

9 “[(2) *In order to maintain the reserve base of the fund at \$22.5 million, the*
10 *Emergency Fire Cost Committee may request and the State Treasurer may*
11 *approve transfers to the fund in accordance with ORS 293.205 to 293.225, if the*
12 *moneys in this fund fall below the reserve base, whether or not there are suf-*
13 *ficient moneys in the fund to pay the obligations of the fund. Repayment of*
14 *any such transfers shall be made from moneys paid into the fund pursuant to*
15 *ORS 321.015 (2), 477.277 and 477.880 and from such other moneys as may be*
16 *credited to the fund therefor.*]

17 “[(3) *If the committee determines that the moneys in the fund exceed:*]

18 “[(a) *The reserve base, and that no repayment obligations are outstanding*
19 *from transfers made pursuant to subsection (2) of this section, then the De-*
20 *partment of Revenue shall reduce the taxes described in ORS 321.015 (2) by*
21 *50 percent for the following calendar year and the surcharge for each improved*
22 *lot or parcel described in ORS 477.277 and the assessments described in ORS*
23 *477.880 shall be reduced by 50 percent for the following fiscal year.*]

24 “[(b) *\$30 million, and that no repayment obligations are outstanding from*
25 *transfers made pursuant to subsection (2) of this section, then the Department*
26 *of Revenue may not collect the taxes described in ORS 321.015 (2) for the fol-*
27 *lowing calendar year and the surcharge for each improved lot or parcel de-*
28 *scribed in ORS 477.277 and the assessments described in ORS 477.880 may*
29 *not be collected until the calendar year or fiscal year following the determi-*
30 *nation of the committee that the unencumbered balance in the fund is less than*

1 or equal to \$22.5 million.]

2 “[4](a) Notwithstanding any other provision of law, if the funds referred
3 to in subsection (2) of this section are inadequate to cover repayment of trans-
4 fers from the State Treasurer or from other sources, the State Forester shall
5 increase the following taxes, assessments and charges in an amount adequate
6 to ensure repayment of the transfers, and any interest accrued thereon, allow-
7 ing for contingencies in valuation, assessment and collection:]

8 “[A] The harvest tax referred to in ORS 321.015 (2).]

9 “[B] The surcharge on developed lots referred to in ORS 477.277.]

10 “[C] The minimum assessment referred to in ORS 477.295.]

11 “[D] The acreage assessments referred to in ORS 477.880 (2).]

12 “[b] The increases to taxes, assessments and charges shall be apportioned
13 based upon the proportionate levels of revenues received from each source by
14 the Oregon Forest Land Protection Fund. Any such increases shall be com-
15 puted on or before January 1 of each year, and shall be based upon revenues
16 received during the previous four quarters. Any such increases shall be made
17 in the appropriate calendar or fiscal year following that in which the requested
18 transfers from the State Treasurer or from other sources are made.]

19 **“SECTION 26a.** ORS 477.770 is amended to read:

20 “477.770. **In addition to rules adopted under ORS 477.760**, the Emer-
21 gency Fire Cost Committee shall [promulgate] **adopt** rules relating to the
22 disposition of moneys from the Oregon Forest Land Protection Fund. [Under
23 such rules the committee may require that prior to the payment of moneys from
24 the fund the forest protection district expend an amount for emergency fire
25 suppression not to exceed a per acre amount determined to be 10 percent of the
26 total budgeted amount of all districts as set forth in ORS 477.220 to 477.415
27 divided by the total protected acres of all districts. However, any such amount
28 per acre shall apply uniformly to each forest protection district.] **The rules**
29 **may:**

30 **“(1) Set forth a process for reviewing the disbursement of moneys**

1 **from the fund; and**

2 **“(2) Establish best practices for reviewing forest protection district**
3 **budgets and emergency fire suppression costs.**

4 **“SECTION 26b. The Emergency Fire Cost Committee shall complete**
5 **any ongoing audits of moneys in the Oregon Forest Land Protection**
6 **Fund as soon as practicable after the effective date of this 2025 Act.**

7 **“SECTION 27. ORS 477.775 is amended to read:**

8 **“477.775. (1) [Prior to February 1 of each year] At the first regularly**
9 **scheduled meeting of the Emergency Fire Cost Committee in a calen-**
10 **dar year, the [Emergency Fire Cost Committee] committee and the**
11 **[forester] State Forester shall consult regarding the purchase of emergency**
12 **fire suppression costs insurance and the level of coverage to purchase for the**
13 **fire season of that year.**

14 **“(2) In determining whether the purchase of insurance is advisable, the**
15 **[forester] State Forester and the committee shall consider:**

16 **“(a) The cost, coverage and deductible of insurance available from private**
17 **insurance carriers;**

18 **“(b) The funding available for fire suppression [from the Oregon Forest**
19 **Land Protection Fund and other sources];**

20 **“(c) The current condition of forests;**

21 **“(d) Long-term weather predictions;**

22 **“(e) Available fire fighting resources; and**

23 **“(f) Available funds for the purchase of insurance.**

24 **“(3) If [the committee and the forester agree] the State Forester decides**
25 **to purchase insurance, the [forester] State Forester shall purchase insur-**
26 **ance through the Oregon Department of Administrative Services [to cover any**
27 **lawful expense incurred by the State Forestry Department, or contractors or**
28 **cooperators, that is payable by the Oregon Forest Land Protection Fund]. The**
29 **insurance may be obtained through negotiation or competitive bids, which-**
30 **ever is in the best interest of the state[, its contractors and cooperators].**

1 “[4] *The Oregon Forest Land Protection Fund may not be charged for*
2 *payment of more than one-half of any premium for the insurance.*”]

3 **“SECTION 28.** ORS 477.777 is amended to read:

4 “477.777. (1) As part of the preparation of the agency request budget
5 submitted to the Oregon Department of Administrative Services pursuant to
6 ORS 291.208 for the State Forestry Department, the State Forester shall
7 prepare, in addition to any amounts budgeted for forest protection districts
8 pursuant to ORS 477.205 to 477.281, a request for a General Fund appropri-
9 ation for the following purposes:

10 “(a) Providing funds for the purchase of emergency fire suppression costs
11 insurance under ORS 477.775.

12 “(b) Acquiring and placing centrally managed fire suppression resources
13 for statewide use.

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

18 “(d) Enhancing forest protection district resources in cases where land
19 productivity or other economic factors seriously limit the ability of the
20 [*forester*] **State Forester** to perform fire protection responsibilities.

21 “(e) Mitigating forest patrol assessment rates in cases where land pro-
22 ductivity or other economic factors seriously limit the ability of the owners
23 of forestlands in the forest protection district to comply with ORS 477.210
24 (1).

25 **“(f) Providing funds for centralized administration costs.**

26 **“(g) For deposit into the State Forestry Department Large Wildfire**
27 **Fund established by section 10 of this 2025 Act to provide funding for**
28 **costs associated with obligations to the General Fund due to estimated**
29 **emergency firefighting costs.**

30 **“(h) Providing amounts to offset the annual costs of fire protection**

1 **provided by the State Forester for certain forestland under section 41**
2 **of this 2025 Act.**

3 “(2) The State Forester shall utilize critical discretion in the expenditure
4 of the funds provided to the State Forestry Department pursuant to the sep-
5 arate request required under subsection (1) of this section.

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

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

9 “(b) The moneys expended on fire suppression, **including moneys ex-**
10 **pended on resources acquired in accordance with subsection (1)(b) and**
11 **(c) of this section and moneys expended for emergency firefighting**
12 **costs;**

13 “(c) The balance remaining from the biennial appropriation; and

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

16 “(4) When reporting the nature and severity of the fire season under
17 subsection (3) of this section, for each fire consuming 1,000 or more acres,
18 the State Forester shall provide information regarding [*the resulting losses*
19 *on private lands of timber, buildings, fencing and livestock and of grazing*
20 *land capacity if the land is expected to be unavailable for two or more grazing*
21 *seasons.]:*

22 “(a) **The number of buildings that were damaged or destroyed by**
23 **fire during the fire season.**

24 “(b) **The number of acres of forestland that were burned during the**
25 **fire season and an estimate of the economic value of the effects on the**
26 **forestland.**

27 “(c) **The number of acres of grazing land that were burned during**
28 **the fire season and an estimate of the economic value of the effects**
29 **on the grazing land.**

30 “(d) **Any other information the State Forester deems relevant.**

1 **“SECTION 29.** ORS 291.055 is amended to read:

2 “291.055. (1) Notwithstanding any other law that grants to a state agency
3 the authority to establish fees, all new state agency fees or fee increases
4 adopted during the period beginning on the date of adjournment sine die of
5 a regular session of the Legislative Assembly and ending on the date of
6 adjournment sine die of the next regular session of the Legislative Assembly:

7 “(a) Are not effective for agencies in the executive department of gov-
8 ernment unless approved in writing by the Director of the Oregon Depart-
9 ment of Administrative Services;

10 “(b) Are not effective for agencies in the judicial department of govern-
11 ment unless approved in writing by the Chief Justice of the Supreme Court;

12 “(c) Are not effective for agencies in the legislative department of gov-
13 ernment unless approved in writing by the President of the Senate and the
14 Speaker of the House of Representatives;

15 “(d) Shall be reported by the state agency to the Oregon Department of
16 Administrative Services within 10 days of their adoption; and

17 “(e) Are rescinded on adjournment sine die of the next regular session of
18 the Legislative Assembly as described in this subsection, unless otherwise
19 authorized by enabling legislation setting forth the approved fees.

20 “(2) This section does not apply to:

21 “(a) Any tuition or fees charged by a public university listed in ORS
22 352.002.

23 “(b) Taxes or other payments made or collected from employers for un-
24 employment insurance required by ORS chapter 657 or premium assessments
25 required by ORS 656.612 and 656.614 or contributions and assessments cal-
26 culated by cents per hour for workers’ compensation coverage required by
27 ORS 656.506.

28 “(c) Fees or payments required for:

29 “(A) Health care services provided by the Oregon Health and Science
30 University, by the Oregon Veterans’ Homes pursuant to ORS 408.362 and

1 408.365 to 408.385 and by other state agencies and institutions pursuant to
2 ORS 179.610 to 179.770.

3 “(B) Copayments and premiums paid to the Oregon medical assistance
4 program.

5 “(C) Assessments paid to the Department of Consumer and Business Ser-
6 vices under sections 3 and 5, chapter 538, Oregon Laws 2017.

7 “(d) Fees created or authorized by statute that have no established rate
8 or amount but are calculated for each separate instance for each fee payer
9 and are based on actual cost of services provided.

10 “(e) State agency charges on employees for benefits and services.

11 “(f) Any intergovernmental charges.

12 “(g) Forest protection district assessment rates established by ORS 477.210
13 to 477.265 [*and the Oregon Forest Land Protection Fund fees established by*
14 *ORS 477.760*].

15 “(h) State Department of Energy assessments required by ORS 456.595 and
16 469.421 (8).

17 “(i) Assessments on premiums charged by the Director of the Department
18 of Consumer and Business Services pursuant to ORS 731.804 or fees charged
19 by the director to banks, trusts and credit unions pursuant to ORS 706.530
20 and 723.114.

21 “(j) Public Utility Commission operating assessments required by ORS
22 756.310 or charges paid to the Residential Service Protection Fund required
23 by chapter 290, Oregon Laws 1987.

24 “(k) Fees charged by the Housing and Community Services Department
25 for intellectual property pursuant to ORS 456.562.

26 “(L) New or increased fees that are anticipated in the legislative budget-
27 ing process for an agency, revenues from which are included, explicitly or
28 implicitly, in the legislatively adopted budget or the legislatively approved
29 budget for the agency.

30 “(m) Tolls approved by the Oregon Transportation Commission pursuant

1 to ORS 383.004.

2 “(n) Portal provider fees as defined in ORS 276A.270 and established by
3 the State Chief Information Officer under ORS 276A.276 (3) and recommended
4 by the Electronic Government Portal Advisory Board.

5 “(o) Fees set by the State Parks and Recreation Director and approved
6 by the State Parks and Recreation Commission under ORS 390.124 (2)(b).

7 “(3)(a) Fees temporarily decreased for competitive or promotional reasons
8 or because of unexpected and temporary revenue surpluses may be increased
9 to not more than their prior level without compliance with subsection (1)
10 of this section if, at the time the fee is decreased, the state agency specifies
11 the following:

12 “(A) The reason for the fee decrease; and

13 “(B) The conditions under which the fee will be increased to not more
14 than its prior level.

15 “(b) Fees that are decreased for reasons other than those described in
16 paragraph (a) of this subsection may not be subsequently increased except
17 as allowed by ORS 291.050 to 291.060 and 294.160.

18

19 **“ACREAGE ASSESSMENT**

20

21 **“SECTION 30. ORS 477.880, 477.960 and 477.970 are repealed.**

22

23 **“ZONING OF CERTAIN LANDS**

24

25 **“SECTION 31. ORS 476.310, 476.320, 476.330 and 476.340 are repealed.**

26 **“SECTION 32. Lands that are classified under ORS 476.310 as zone
27 1 lands immediately prior to the effective date of this 2025 Act are
28 classified as Class 3 lands, as defined in ORS 526.324, unless and until
29 reclassified.**

30 **“SECTION 33. ORS 242.702 is amended to read:**

1 “242.702. As used in ORS 242.702 to 242.824, unless the context requires
2 otherwise:

3 “(1) ‘Appointing power’ includes every person or group of persons who,
4 acting singly or as a board, council or commission, are vested with authority
5 to select, appoint or employ any person to hold any position subject to civil
6 service under ORS 242.702 to 242.824.

7 “(2) ‘Appointment’ includes all means of selecting or employing any per-
8 son to hold any position subject to civil service under ORS 242.702 to 242.824.

9 “(3) ‘Civil service’ means the civil service system established under ORS
10 242.702 to 242.824.

11 “(4) ‘Commission’ means a civil service commission created under ORS
12 242.702 to 242.824.

13 “(5) ‘Commissioner’ means a member of the civil service commission cre-
14 ated under ORS 242.702 to 242.824.

15 “(6) ‘Employees’ means persons whose principal duties consist of pre-
16 venting or combating fire or preventing the loss of life or property from fire.

17 “(7) ‘Fire department’ means any organization maintained by any political
18 subdivision for the purpose of preventing or combating fire.

19 “(8) ‘Governing body’ means the council or city commissioners of a city,
20 the county court or board of county commissioners of a county, the board
21 of directors of a rural fire protection district[,] **and** the board of commis-
22 sioners of a domestic water supply corporation [*and the county court or board*
23 *of county commissioners acting under ORS 476.310 to 476.340 for the purposes*
24 *of preventing and controlling fire on zone 2 rural lands*].

25 “(9) ‘Political subdivision’ means any city, county, municipal corporation,
26 rural fire protection district[,] **or** domestic water supply corporation [*or or-*
27 *ganization authorized under ORS 476.310 to 476.340 to combat fire on zone 2*
28 *rural lands which employs four or more full-time firefighters, not including the*
29 *chief of the fire department*].

30 “(10) ‘Position’ includes any office, place or employment.

1 **“RURAL FIRE PROTECTION DISTRICTS**

2
3 **“SECTION 34.** ORS 478.010 is amended to read:

4 “478.010. (1) A rural fire protection district may be formed in the manner
5 set forth in ORS 478.010 to 478.100.

6 “(2) A district may not include:

7 “[(a) *Territory within a city unless otherwise authorized by law.*]

8 “[(b)] (a) Territory within a water supply district organized under ORS
9 chapter 264 if the district has previously been authorized by its electors to
10 exercise the fire protection powers prescribed by ORS 264.340.

11 “[(c)] (b) [*Forestlands*] **Forestland** included within a forest protection
12 district under ORS 477.205 to 477.281 unless the owner consents and notifies
13 the rural fire protection district[, *however, forestland protected pursuant to*
14 *ORS 477.205 to 477.281 and not exceeding five acres in one ownership shall*
15 *be included in the rural fire protection district without the owner’s consent if*
16 *the ownership includes any structures subject to damage by fire*], **except as**
17 **provided in subsection (3) of this section.** [*Forestland included in a rural*
18 *fire protection district under this subsection subjects the forestland to assess-*
19 *ments for fire protection by the rural fire protection district and the forest*
20 *protection district.*]

21 “[(d)] (c) Railroad rights of way or improvements thereon or rolling stock
22 moving thereover unless the owner of such property consents.

23 “[(e)] (d) Ocean shores as defined by ORS 390.605.

24 **“(3)(a) Notwithstanding subsection (2)(b) of this section, forestland**
25 **protected pursuant to ORS 477.205 to 477.281 that is within the exterior**
26 **boundaries of an existing rural fire protection district shall be included**
27 **in the rural fire protection district without the owner’s consent.**

28 **“(b) Forestland described in paragraph (a) of this subsection is**
29 **subject to limitations on assessment as described in section 36 of this**
30 **2025 Act.**

1 “(4) Forestland protected pursuant to ORS 477.205 to 477.281 that is
2 included in a rural fire protection district is subject to assessments for
3 fire protection by the rural fire protection district and the forest pro-
4 tection district.

5 “SECTION 35. The amendments to ORS 478.010 by section 34 of this
6 2025 Act apply to all rural fire protection districts, whether formed
7 before, on or after the effective date of this 2025 Act. Forestland de-
8 scribed in ORS 478.010 (3)(a), as amended by section 34 of this 2025 Act,
9 is made part of a rural fire protection district without the district’s
10 taking any action to include such forestland.

11 “SECTION 36. (1) As used in this section, ‘qualified forestland’
12 means forestland that is:

13 “(a) Included in a rural fire protection district under ORS 478.010
14 (3); and

15 “(b) Outside the limits of a city.

16 “(2) If a structure exists, in whole or in part, on qualified
17 forestland, the property subject to taxation by a rural fire protection
18 district shall include the value of any structures subject to taxation
19 and may not exceed 10 acres in any one ownership.

20 “(3) If a structure does not exist on qualified forestland, the prop-
21 erty subject to taxation by a rural fire protection district is limited to
22 individual lots or parcels not exceeding 10 acres in size.

23 “SECTION 37. ORS 478.120 is amended to read:

24 “478.120. The authority to include forestland within a rural fire protection
25 district pursuant to ORS 478.010 [(2)(c)] (2)(b) applies to forestland within
26 the exterior boundaries of an existing district [*and to forestland on which*
27 *structures subject to damage by fire have been added after July 20, 1973*].

28 “SECTION 38. ORS 478.140 is amended to read:

29 “478.140. Any owner consenting to add the forestland of the owner to the
30 district under ORS 478.010 [(2)(c)] (2)(b) shall do so on forms supplied by the

1 Department of Revenue. The owner shall file the original with the district.
2 The district shall forward a copy to the assessor of each county in which the
3 land is located, within 20 days of receipt.

4

5

“TRANSFERS FROM MOBILIZATION FUND

6

7

“**SECTION 39.** ORS 476.565 is amended to read:

8

“476.565. (1)(a) The State Fire Marshal Mobilization Fund is established
9 in the State Treasury, separate and distinct from the General Fund.

10

“(b) The State Fire Marshal Mobilization Fund consists of moneys ap-
11 propriated by the Legislative Assembly for deposit in the fund, grant funds
12 received by the Department of the State Fire Marshal from the Federal
13 Emergency Management Agency, and other moneys appropriated, allocated,
14 deposited or transferred to the fund by the Legislative Assembly or other-
15 wise.

16

“(c) Moneys in the fund are continuously appropriated to the department
17 for:

18

“(A) Eligible mobilization costs incurred by the department and re-
19 imbursements pursuant to ORS 476.560[.]; **and**

20

“(B) **Transfers pursuant to subsection (2) of this section.**

21

“(2) **The department may transfer moneys from the fund to the
22 following funds as the department deems necessary to carry out its
23 duties:**

24

“(a) **The State Fire Marshal Fund established under ORS 476.055;
25 and**

26

“(b) **The Community Risk Reduction Fund established under ORS
27 476.396.**

28

“[(2)] (3) As used in this section, ‘eligible mobilization costs’ means ex-
29 penses incurred for emergency mobilization and pre-positioning activities in
30 Oregon.

1 “(b) There is appropriated to the borrowing agency, for the
2 biennium in which the transfer was made, out of the General Fund,
3 an amount equal to the difference between the repayment amounts
4 and the amounts transferred under paragraph (a) of this subsection,
5 for deposit in the borrowing fund for the purpose of repaying the re-
6 payment amounts.

7
8 **“FIRE PROTECTION COST OFFSET**

9
10 **“SECTION 41. (1) In each biennium, the State Forestry Department**
11 **shall apply an offset against the annual costs of fire protection pro-**
12 **vided by the department for forestland that is:**

13 **“(a) Classified as Class 3 under ORS 526.324; and**

14 **“(b) Located within a forest protection district.**

15 **“(2) The department shall apply the offset equally to each acre of**
16 **forestland subject to the offset.**

17 **“SECTION 42. In addition to and not in lieu of any other appropri-**
18 **ation, there is appropriated to the State Forestry Department, for the**
19 **biennium beginning July 1, 2025, out of the General Fund, the amount**
20 **of \$1,500,000 to carry out the provisions of section 41 of this 2025 Act.**

21
22 **“CAPTIONS**

23
24 **“SECTION 43. The unit captions used in this 2025 Act are provided**
25 **only for the convenience of the reader and do not become part of the**
26 **statutory law of this state or express any legislative intent in the**
27 **enactment of this 2025 Act.**

28
29 **“EFFECTIVE DATE**

