

Requested by Representative KROPF

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3984**

1 In line 2 of the printed bill, after “wildfires” insert “; and declaring an  
2 emergency”.

3 Delete lines 4 through 8 and insert:  
4

5 **“WILDFIRE LITIGATION**

6  
7 **“SECTION 1. (1) As used in this section:**

8 **“(a) ‘Electric company’ means an electric company, as defined in**  
9 **ORS 757.600, that serves more than 25,000 retail electricity consumers**  
10 **located in this state.**

11 **“(b) ‘Retail electricity consumer’ has the meaning given that term**  
12 **in ORS 757.600.**

13 **“(2) In a civil action arising out of allegations that the conduct of**  
14 **an electric company caused or substantially contributed to a wildfire,**  
15 **an electric company that has been found to be liable for damages to**  
16 **a plaintiff or class member shall also be liable for any federal income**  
17 **tax liability for any tax years that is imposed on any amounts received**  
18 **by the plaintiff or class member in relation to the civil action and that**  
19 **the plaintiff or class member owes or pays.**

20 **“(3) A plaintiff or class member may file a motion for entry of a**  
21 **supplemental judgment against an electric company for any amounts**

1 in federal income tax liability for which the electric company is liable  
2 under subsection (2) of this section.

3 **“SECTION 2.** Section 1 of this 2025 Act applies to wildfires that are  
4 ignited on or after January 1, 2020, and before January 1, 2025.

5 **“SECTION 3.** Section 4 of this 2025 Act is added to and made a part  
6 of ORS chapter 316.

7 **“SECTION 4.** For purposes of determining Oregon taxable income,  
8 there shall be subtracted from federal taxable income any amount that  
9 is received by a taxpayer under section 1 of this 2025 Act and properly  
10 included in federal taxable income.

11

12 **“WILDFIRE SAFETY CERTIFICATION**

13

14 **“SECTION 5.** Sections 6 and 7 of this 2025 Act are added to and  
15 made a part of ORS chapter 757.

16 **“SECTION 6.** (1) The Legislative Assembly finds that:

17 **“(a)** Human-caused wildfires are a risk to people, property and the  
18 natural environment in Oregon;

19 **“(b)** Electric companies play an important role in reducing and  
20 mitigating the risks of human-caused wildfires;

21 **“(c)** Electric companies are required to have and operate in com-  
22 pliance with a risk-based wildfire protection plan under ORS 757.963;

23 **“(d)** Consistent with ORS 756.040, the Public Utility Commission has  
24 the jurisdiction and powers to supervise and regulate public utilities  
25 with regard to wildfire safety; and

26 **“(e)** State agencies, through regulations and orders, are allowed to  
27 establish standards of care that apply to entities that the state agen-  
28 cies regulate.

29 **“(2)** It is the intent of the Legislative Assembly:

30 **“(a)** To establish wildfire safety standards that apply to electric

1 companies; and

2 “(b) To vest the Public Utility Commission with the authority to  
3 implement and enforce the wildfire safety standards in a manner that  
4 is consistent with state law.

5 **“SECTION 7. (1) As used in this section and section 6 of this 2025**  
6 **Act, ‘electric company’ has the meaning given that term in ORS**  
7 **757.600.**

8 “(2) An electric company shall file annually an application with the  
9 Public Utility Commission for a wildfire safety certification.

10 “(3) The commission shall issue a wildfire safety certification to an  
11 applicant if the applicant:

12 “(a) Has a wildfire protection plan approved under ORS 757.963.

13 “(b) Establishes that the applicant is implementing and taking  
14 actions identified in the wildfire protection plan. The application must  
15 describe and verify the development and adoption of the wildfire pro-  
16 tection plan’s components and measures by documenting, for the prior  
17 12-month period, the applicant’s wildfire mitigation expenditures and  
18 physical evidence of the work undertaken in the development and  
19 adoption of the wildfire protection plan’s components and measures.

20 “(c) Identifies any actions identified in the wildfire protection plan  
21 that have not been implemented, provides adequate justification for  
22 not taking such actions and establishes dates by which such actions  
23 will be taken.

24 “(d) Demonstrates a commitment to wildfire safety. An applicant  
25 may demonstrate a commitment to wildfire safety through various  
26 means, such as:

27 “(A) Participating in workshops convened by the commission under  
28 ORS 757.960.

29 “(B) Performing an internal wildfire safety culture assessment and  
30 adopting a process to implement the findings of the assessment.

1       **“(C) Providing wildfire safety training to employees.**

2       **“(D) Conducting annual safety performance reviews establishing**  
3 **processes to facilitate the reporting of risks and management ac-**  
4 **countability.**

5       **“(E) Implementing other wildfire mitigation measures.**

6       **“(e) Has taken timely and reasonable actions on matters within the**  
7 **applicant’s control, that are consistent with safety rules adopted by**  
8 **the commission under ORS 757.035, to address any outstanding defi-**  
9 **ciencies reported by the commission during the commission’s most**  
10 **recent audit and safety inspection of the applicant’s infrastructure.**

11       **“(f) Meets any other requirements adopted by the commission.**

12       **“(4) The commission may adopt requirements under subsection**  
13 **(3)(f) of this section that help verify that an applicant is applying**  
14 **risk-based wildfire mitigation standards and procedures to protect the**  
15 **public safety, reduce risks to utility customers and promote electric**  
16 **system resilience to wildfire damage. To verify that the applicant**  
17 **meets requirements adopted under subsection (3)(f) of this section, an**  
18 **applicant may provide reviews, assessments or evaluations conducted**  
19 **by third parties that demonstrate the applicant’s efforts regarding risk**  
20 **reduction and development of a resilient electric system.**

21       **“(5) The commission shall approve or deny an application for a**  
22 **wildfire safety certification within 90 days after receipt of the appli-**  
23 **cation. If the commission finds that an application does not include**  
24 **documentation sufficient to approve the application, the commission**  
25 **may allow the applicant to provide additional documentation or re-**  
26 **quire the applicant to refile.**

27       **“(6) The issuance of a wildfire safety certification:**

28       **“(a) Establishes that the applicant has established and implemented**  
29 **wildfire policies and practices consistent with the commission’s**  
30 **wildfire safety standards for electric companies on the date the certi-**

1 **fication is issued.**

2 **“(b) Does not relieve an applicant from the applicant’s obligation**  
3 **to take reasonable care to mitigate wildfire risk resulting from utility**  
4 **equipment or operations to prevent wildfires.**

5 **“(c) Does not establish immunity against claims for damages re-**  
6 **sulting from a wildfire.**

7 **“(7) The denial of an application for a wildfire safety certification**  
8 **does not establish liability for claims for damages resulting from a**  
9 **wildfire.**

10 **“(8) Failure of the commission to act in a timely manner on an**  
11 **application for a wildfire safety certification is not admissible evidence**  
12 **in a civil proceeding relating to allegations that an electric company**  
13 **caused or contributed to a wildfire.**

14 **“(9) The commission, in consultation with the State Forestry De-**  
15 **partment, the Department of the State Fire Marshal and academic**  
16 **institutions with expertise in evidence-based wildfire mitigation strat-**  
17 **egies, shall adopt rules for the implementation of this section. The**  
18 **rules must include:**

19 **“(a) Reporting and auditing requirements for determining an**  
20 **applicant’s implementation of the applicant’s wildfire protection plan**  
21 **approved under ORS 757.963.**

22 **“(b) The timing, procedures, reporting requirements and standards**  
23 **for the review of an application for a wildfire safety certification.**

24 **“SECTION 8. An electric company shall file the electric company’s**  
25 **first application under section 7 of this 2025 Act no later than Decem-**  
26 **ber 31, 2027.**

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28 **“STUDY ON CATASTROPHIC WILDFIRE**  
29 **RISK AND RECOVERY**

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1       **“SECTION 9. (1) The Public Utility Commission shall commission**  
2 **a third-party expert to conduct a study and examine issues related to**  
3 **catastrophic wildfire risk and recovery and develop a range of scenar-**  
4 **ios for a balanced solution.**

5       **“(2) The study must:**

6       **“(a) Articulate and examine the negative consequences of cat-**  
7 **astrophic wildfires, including:**

8       **“(A) The risks and impacts of electricity service disruption to**  
9 **communities located in areas with high risk of wildfires, including**  
10 **electricity service disruption resulting from wildfire mitigation prac-**  
11 **tices;**

12       **“(B) The liability risks from wildfires for an electric company and**  
13 **the effects of those risks on an electric company’s ability to access**  
14 **capital or insurance, and the secondary effects on customers, the**  
15 **state’s economic growth, electricity reliability, electricity generated**  
16 **from zero-emissions or renewable resources and the ability of the state**  
17 **to achieve the clean energy targets set forth in ORS 469A.410 and other**  
18 **state policy goals; and**

19       **“(C) The pace of wildfire recovery funding;**

20       **“(b) Outline a range of policy options, including their essential ele-**  
21 **ments, that balance the needs of communities impacted by a wildfire**  
22 **and utility customers. The range of policy options must address:**

23       **“(A) A process by which communities and individuals who are im-**  
24 **acted by a wildfire that is caused by utility infrastructure may re-**  
25 **ceive fair and expedient economic compensation for damages resulting**  
26 **from the wildfire;**

27       **“(B) An overall approach that supports stable access to low-cost**  
28 **capital in order to advance the state’s economic growth, electricity**  
29 **reliability, electricity generated from zero-emissions or renewable re-**  
30 **sources and the ability of the state to achieve the clean energy targets**

1 set forth in ORS 469A.410 and other state policy goals; and

2 “(C) The process and timing by which the causes of a wildfire are  
3 determined; and

4 “(c) Enumerate the steps required to implement the proposed policy  
5 option solutions and provide a general cost estimate for carrying out  
6 the administrative implementation steps with enough sufficiency to  
7 support a fiscal impact analysis.

8 “(3) During the 2026 regular session of the Eighty-third Legislative  
9 Assembly, the commission shall provide an interim report, in the  
10 manner provided in ORS 192.245, to the committees of the Legislative  
11 Assembly related to energy and environment on the study’s findings  
12 and recommendations. The commission shall consult with the State  
13 Forestry Department and the State Fire Marshal and provide recom-  
14 mendations for a stakeholder process to follow the final study report,  
15 with the goal of the stakeholder process being to develop recommen-  
16 dations for legislation for the 2027 regular session of the Eighty-fourth  
17 Legislative Assembly.

18 “(4) The commission shall assess a fee against the electric compa-  
19 nies, as defined in ORS 757.600, to defray the costs of carrying out the  
20 provisions of this section. An electric company may not recover from  
21 ratepayers a fee assessed under this section.

22 “SECTION 10. Section 9 of this 2025 Act is repealed on January 2,  
23 2028.

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25

#### “CAPTIONS

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27 “SECTION 11. The unit captions used in this 2025 Act are provided  
28 only for the convenience of the reader and do not become part of the  
29 statutory law of this state or express any legislative intent in the  
30 enactment of this 2025 Act.

1 **“EFFECTIVE DATE**

2

3 **“SECTION 12. This 2025 Act being necessary for the immediate**  
4 **preservation of the public peace, health and safety, an emergency is**  
5 **declared to exist, and this 2025 Act takes effect on its passage.”.**

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