

Senate Bill 698

Sponsored by Senator KNOPP

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Allows landowner to file claim for payment with State Forestry Department if fire originating on state forestland spreads to commercial forestland.

Establishes Forestland Fire Compensation Fund. Appropriates fund moneys for carrying out claim program.

Declares emergency, effective July 1, 2017.

A BILL FOR AN ACT

1
2 Relating to compensation for fire spreading from state forestland to commercial forestland; and de-
3 claring an emergency.

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

5 **SECTION 1. The Forestland Fire Compensation Fund is established in the State Treas-**
6 **ury, separate and distinct from the General Fund. Interest earned by the Forestland Fire**
7 **Compensation Fund shall be credited to the fund. Moneys in the fund are continuously ap-**
8 **propriated to the State Forestry Department for the purpose of carrying out section 2 of this**
9 **2017 Act.**

10 **SECTION 2. (1) As used in this section:**

11 (a) "Commercial forestland" and "landowner" have the meanings given those terms in
12 **ORS 526.455.**

13 (b) "Salvage value" means the monetary amount, after deduction of sales costs, realizable
14 **from selling harvested trees killed or damaged from a fire.**

15 (c) "State forestland" means lands acquired under ORS 530.010 to 530.040.

16 (2) **If a fire originates on state forestland, with or without fault on the part of the state**
17 **or officers, employees or agents of the state, and the fire spreads to commercial forestland,**
18 **the landowner may apply to the State Forestry Department for the payment of compensation**
19 **for any resulting fire damage to timber on the commercial forestland. An application filed**
20 **by a landowner under this section must be in a form approved by the department and con-**
21 **tain:**

22 (a) **Information identifying the landowner and means for contacting the landowner;**

23 (b) **Information identifying the commercial forestland;**

24 (c) **Information regarding the fire, including but not limited to the date the fire spread**
25 **to the commercial forestland;**

26 (d) **Information regarding the timber killed or damaged by the fire, including but not**
27 **limited to volume, species, fair market value in undamaged condition and salvage value; and**

28 (e) **Any other information required by the department by rule.**

29 (3) **Except as provided in subsection (4) of this section, if a claim qualifies for payment**
30 **under this section, the department shall pay the landowner an amount from the Forestland**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 Fire Compensation Fund equal to ____ percent of the difference between the fair market
2 value of the timber in undamaged condition and the salvage value for the timber and ____
3 percent of the estimated cost of reforestation as determined by the department.

4 (4) If payment in full of pending claims under this section would exceed the amount
5 available for payment from the Forestland Fire Compensation Fund, the department may
6 make an appropriate pro rata reduction in the amount paid under this section for the pend-
7 ing claims.

8 (5) If a landowner accepts a payment by the department under this section, the payment
9 constitutes liquidated damages for any claim that the landowner might assert against the
10 state or officers, employees or agents of the state for injury or loss to forest resources, and
11 for reforestation costs, on the commercial forestland arising out of the fire. Payment by the
12 department under this section does not entitle the state to any proceeds that the landowner
13 may recover in an action against a third party.

14 (6) A claim by a landowner does not qualify for payment under this section if the fire
15 spreading from state forestland originated due to an unlawful act by the landowner or an
16 employee or agent of the landowner acting within the scope of the employment or agency.

17 **SECTION 3.** Section 2 of this 2017 Act applies to damage from fires that first spread to
18 commercial forestland on or after the effective date of this 2017 Act.

19 **SECTION 4.** This 2017 Act being necessary for the immediate preservation of the public
20 peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect
21 July 1, 2017.

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