

HB 3160 -4, -7 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Kaitlyn Harger, Economist

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 5/10, 5/25

WHAT THE MEASURE DOES:

Establishes a \$10 surcharge on property and causality insurance policies written in Oregon, with a \$1,000 minimum fee paid to the state. Establishes The Oregon Wildfire Preparedness and Community Protection Fund (OWPACPF). Continuously appropriates moneys from the OWPACPF as follows: 50% of the fund to the State Fire Marshall, 25% to the State Forestry Department, and 25% to the Oregon Watershed Enhancement Board. Requires the Director of the Department of Consumer and Business Services (DCBS) to pay into the OWPACPF all funds received from the surcharge in this bill. Allows for moneys from the OWPACPF to be invested in the same manner as other state funds and requires any interest earned be deposited into the fund. Requires the State Treasurer to record all deposits into the fund, the source from which the moneys are derived, and the interest earned on the fund, and any withdrawals from the fund. Requires interest be paid into the fund if moneys are used for programs other than the program for which the fund was established. Allows State Fire Marshall, Oregon Watershed Enhancement Board, and State Forestry department to accept gifts from any source and requires those gifts be deposited into the OWPACPF. Requires the State Fire Marshall use funds to prepare for and protect communities against wildfires, funding full-time firefighters, and developing and implementing wildfire protection plans. Requires State Fire Marshall to adopt rules to facilitate implementation of programs described in bill. Requires State Forestry Department to take preventative measures, provide priority to projects that save lives and infrastructure, and adopt rules related to implementation of preventative measures.

ISSUES DISCUSSED:

- Costs to homeowners
- Other sources of fire related funding

EFFECT OF AMENDMENT:

-4 Removes surcharge on insurance premiums from the bill. Provides a \$45 million appropriation to the State Fire Marshall from the General Fund for the purposes outlined within the bill. Requires agencies receiving transfers to keep records of transfers and withdrawals. Allows agencies receiving transfers from the fund to use funds to cover administrative costs. Caps administrative costs at 10% of the balance of the fund on August 1 of each year. Requires spending from the fund to occur as described in the appropriations in statute unless a gift or donation was provided with a condition related to the specified use of the gift.

-7 Replaces the bill. Establishes surcharges on the number of policies insurers retain in Oregon in each calendar year. Requires insurers issuing property insurance premiums in Oregon to pay a minimum of \$1,000 per calendar year to the state. For policies for multiple peril or fire peril for commercial insured (excluding policies for motor vehicles used for commercial purposes) the surcharges are \$25 per year for policies with premium amounts of \$10,000 or less and \$50 per year on properties that have annual premiums of more than \$10,000. For homeowner and farm owner insurance policies that cover multiple perils or personal insurance policies covering the peril of fire (other than policies for private passenger automobile coverage) the surcharges are \$10 per year for policies with annual premiums of \$1,000 or less and \$25 per year for policies with an annual premium of more than \$1,000.

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Establishes The Oregon Wildfire Preparedness and Community Protection Fund (OWPACPF). Continuously appropriates moneys from the OWPACPF as follows: 50% to the State Fire Marshall Fund, 25% to the State Forestry Department Account, and 25% to the Watershed Conservation Grant Fund. Requires State Fire Marshall submit a written request to the State Treasurer for transfer of funds on August 1 of each year. Requires agencies receiving transfers from the fund to keep a record of fund transfers. Allows for moneys from the OWPACPF to be invested in the same manner as other state funds and requires any interest earned be deposited into the fund. Allows agencies receiving transfers from the fund to use funds to cover administrative costs. Caps administrative costs at 10% of the balance of the fund on August 1 of each year.

Requires the Director of the Department of Consumer and Business Services (DCBS) to pay into the OWPACPF all funds received from the surcharge in this bill. Requires interest be paid into the fund if moneys are used for programs other than the program for which the fund was established. Allows State Fire Marshall, Oregon Watershed Enhancement Board, and State Forestry department to accept gifts from any source and requires those gifts be deposited into the OWPACPF. Requires spending from the fund to occur as described in the appropriations in statute unless a gift or donation was provided with a condition related to the specified use of the gift. Outlines how State Fire Marshall shall use funds to prepare for wildfire danger. Provides the State Fire Marshall rulemaking authority to facilitate implementation of programs described in bill. Requires State Forestry Department to provide grants or implement programs that provide preventative measures against wildfire threats. Requires the Watershed Conservation Grant Fund to fund grants to aid in preventative measures. Requires joint collaboration between State fire Marshall, State Forester, and Oregon Watershed Enhancement Board in administration and to submit a joint report on December 31st of each year to the Governor and the Legislature.

BACKGROUND:

Oregon's 2020 fire season saw destruction of homes, properties, and lives. HB 3160 develops the Oregon Wildfire Preparedness and Community Protection Fund to address future fire season preparations.