

Requested by Representative MARSH

**PROPOSED AMENDMENTS TO
HOUSE BILL 3160**

1 On page 1 of the printed bill, line 2, before the period insert “; providing
2 for revenue raising that requires approval by a three-fifths majority; and
3 prescribing an effective date”.

4 Delete lines 4 through 27 and delete pages 2 through 4 and insert:

5 **“SECTION 1. Sections 2 and 3 of this 2021 Act are added to and
6 made a part of ORS chapter 477.**

7 **“SECTION 2. (1) The Oregon Wildfire Preparedness and Community
8 Protection Fund is established in the State Treasury, separate and
9 distinct from the General Fund. Moneys in the Oregon Wildfire
10 Preparedness and Community Protection Fund are continuously ap-
11 propriated to the State Fire Marshal for the purposes specified in this
12 section and section 3 of this 2021 Act.**

13 **“(2)(a) At the written request of the State Fire Marshal, the State
14 Treasurer shall transfer moneys from the balance available in the
15 Oregon Wildfire Preparedness and Community Protection Fund on
16 August 1 of each year to the following funds in accordance with the
17 specified allocations:**

18 **“(A) Fifty percent to the State Fire Marshal Fund. The State Fire
19 Marshal shall retain the transferred moneys in a special account and
20 expend the moneys as provided in section 3 (1) of this 2021 Act.**

21 **“(B) Twenty-five percent to the State Forestry Department Ac-**

1 count. The State Forester shall retain the transferred moneys in a
2 special subaccount and expend the moneys as provided in section 3 (2)
3 of this 2021 Act.

4 “(C) Twenty-five percent to the Watershed Conservation Grant
5 Fund. The Oregon Watershed Enhancement Board shall retain the
6 transferred moneys in a special account and expend the moneys as
7 provided in section 3 (3) of this 2021 Act.

8 “(b) Each agency that receives a transfer of funds from the Oregon
9 Wildfire Preparedness and Community Protection Fund under para-
10 graph (a) of this subsection shall keep a record of the account or
11 subaccount into which the agency deposits the transferred moneys,
12 indicating the source of the transfer and the activity or program
13 against which the agency charges any withdrawal. An agency may
14 invest the moneys in the applicable account or subaccount described
15 in paragraph (a)(A), (B) or (C) of this subsection in the same manner
16 as other state moneys. The agency must credit any interest earned on
17 investments to the appropriate account or subaccount.

18 “(c) Each agency that receives a transfer of funds from the Oregon
19 Wildfire Preparedness and Community Protection Fund under para-
20 graph (a) of this subsection may retain a portion of the transferred
21 moneys to pay the agency’s costs in administering the account or
22 subaccount into which the agency deposits the transferred moneys.

23 “(d) If moneys credited to an account or subaccount are withdrawn,
24 transferred or otherwise used for a program other than a program or
25 activity described in section 3 of this 2021 Act, interest accrues at the
26 rate specified in ORS 82.010 on the amount withdrawn from the date
27 of the withdrawal until the moneys are restored.

28 “(3) The Director of the Department of Consumer and Business
29 Services shall pay into the State Treasury to the credit of the Oregon
30 Wildfire Preparedness and Community Protection Fund all moneys the

1 director receives from the surcharge described in section 5 of this 2021
2 Act. The director may retain from the moneys the director receives
3 an amount sufficient to pay the director's costs of collecting the sur-
4 charge, and related costs.

5 “(4) The total amount that the Director of the Department of Con-
6 sumer and Business Services and all agencies listed in subsection (2)(a)
7 of this section may retain from the moneys in the Oregon Wildfire
8 Preparedness and Community Protection Fund to pay costs associated
9 with administering a fund, account, subaccount, expenditure, grant
10 or program described in this section or section 3 of this 2021 Act may
11 not exceed, in the aggregate, more than 10 percent of the balance of
12 the Oregon Wildfire Preparedness and Community Protection Fund on
13 August 1 of each year.

14 “(5) The State Fire Marshal, the Oregon Watershed Enhancement
15 Board and the State Forestry Department may accept, from whatever
16 source, gifts or grants of moneys given for the purposes set forth in
17 section 3 of this 2021 Act. Each agency shall deposit any such moneys
18 into the Oregon Wildfire Preparedness and Community Protection
19 Fund. All moneys deposited in this manner are available for allocation
20 as described in subsection (2)(a) of this section, unless the donor or
21 grantor of the moneys specifies a condition for the use of the moneys,
22 in which case the agency that received the gift or grant shall use the
23 moneys in conformance with the condition the donor or grantor spec-
24 ified.

25 **“SECTION 3. (1)(a) The State Fire Marshal shall expend moneys or**
26 **provide grants from the special account of the State Fire Marshal**
27 **Fund described in section 2 (2)(a)(A) of this 2021 Act to assist com-**
28 **munities in:**

29 **“(A) Preparing for and protecting against wildfires;**

30 **“(B) Funding equipment, training, technology and supplies neces-**

1 sary for fighting wildfires; and

2 “(C) Developing and implementing, in coordination with the State
3 Forestry Department, community wildfire protection plans and pro-
4 grams that are based upon or that comply with standards promulgated
5 by the National Fire Protection Association’s Firewise USA and the
6 Fire Adapted Communities Learning Network or that otherwise serve
7 community needs for protection against wildfires.

8 “(b) The State Fire Marshal shall adopt rules to guide the State Fire
9 Marshal’s implementation of the programs described in this sub-
10 section. At a minimum, the rules must:

11 “(A) Specify the purposes, goals and criteria for funding projects
12 under paragraph (a) of this subsection, along with criteria for evalu-
13 ating the success of each project;

14 “(B) Specify the purposes, goals and eligibility criteria for grants
15 under paragraph (a) of this subsection, along with criteria for deter-
16 mining whether a grant recipient has made use of grant moneys in
17 accordance with the purposes and goals; and

18 “(C) Provide forms and specify application procedures by means of
19 which a community may apply for a grant under paragraph (a) of this
20 subsection.

21 “(2)(a) The State Forestry Department shall use moneys from the
22 special subaccount of the State Forestry Department Account de-
23 scribed in section 2 (2)(a)(B) of this 2021 Act to provide grants or im-
24 plement programs that:

25 “(A) Reduce wildfire risk by restoring landscape resiliency;

26 “(B) Reduce hazardous fuel levels to improve forest and rangeland
27 health; and

28 “(C) Reduce forest and rangeland vulnerability to drought, insect
29 infestation and disease by taking appropriate forest and rangeland
30 management actions such as thinning and prescribed burning.

1 **“(b) In providing grants or implementing the programs described in**
2 **paragraph (a) of this subsection, the State Forestry Department shall**
3 **give priority to programs, activities or projects that protect lives,**
4 **communities and infrastructure, that improve and enhance watershed**
5 **health, water quality and resiliency in response to changes in the cli-**
6 **mate and that achieve reductions in wildfire risk. After seeking and**
7 **receiving necessary permissions and cooperation, the State Forestry**
8 **Department may implement programs on federal, state, tribal, local**
9 **and private lands.**

10 **“(c) The State Forestry Department may adopt rules to guide the**
11 **department’s implementation of the programs described in this sub-**
12 **section.**

13 **“(3)(a) The Oregon Watershed Enhancement Board shall use mon-**
14 **neys from the special account of the Watershed Conservation Grant**
15 **Fund described in section 2 (2)(a)(C) of this 2021 Act to provide grants**
16 **for the purpose of:**

17 **“(A) Restoring landscape resiliency;**

18 **“(B) Reducing hazardous fuel levels to improve forest and rangeland**
19 **health;**

20 **“(C) Reducing forest and rangeland vulnerability to drought, insect**
21 **infestation and disease by taking appropriate forest and rangeland**
22 **management actions such as thinning and prescribed burning; and**

23 **“(D) Supporting, in areas that were subjected to wildfires, recovery**
24 **activities such as reforestation, watershed rehabilitation, drinking**
25 **water protection, slope stabilization and erosion control.**

26 **“(b) In providing grants as described in paragraph (a) of this sub-**
27 **section, the Oregon Watershed Enhancement Board shall give priority**
28 **to programs, activities or projects that improve and enhance**
29 **watershed health, water quality and resiliency in response to changes**
30 **in the climate and that achieve reductions in wildfire risk. The Oregon**

1 **Watershed Enhancement Board may provide grants for projects on**
2 **federal, state, tribal, local and private lands.**

3 **“(c) The Oregon Watershed Enhancement Board may adopt rules**
4 **to guide the board’s provision of grants described in this subsection.**

5 **“(4) The State Fire Marshal, the State Forestry Department and the**
6 **Oregon Watershed Enhancement Board shall jointly:**

7 **“(a) Consult and cooperate with each of the other agencies identi-**
8 **fied in this subsection in adopting rules to implement the areas of re-**
9 **sponsibility each agency has under this section; and**

10 **“(b) Coordinate with each of the other agencies in providing grants**
11 **and implementing programs and activities to the maximum extent**
12 **practicable in order to reduce duplication and overlapping or redun-**
13 **dant efforts.**

14 **“(5) By December 31 of each year, the State Fire Marshal, the State**
15 **Forester and the executive director of the Oregon Watershed En-**
16 **hancement Board shall submit a joint report to the Governor and an**
17 **interim committee of the Legislative Assembly with oversight over**
18 **forestry issues that details the agencies’ activities under this section.**
19 **The report, at a minimum, must include:**

20 **“(a) A list of the amounts the agencies expended from the Oregon**
21 **Wildfire Preparedness and Community Protection Fund during the**
22 **previous 12 months;**

23 **“(b) A list of the projects the agencies funded or conducted in the**
24 **previous 12 months, together with the cost of each program and**
25 **project and a summary of the goals and results of each program and**
26 **project;**

27 **“(c) A list of all grants the State Fire Marshal, the State Forestry**
28 **Department and the Oregon Watershed Enhancement Board awarded**
29 **within the previous 12 months under subsections (1) to (3) of this sec-**
30 **tion, along with a list of the grant recipients, the amount each grant**

1 recipient received and the purpose and goals of each grant; and

2 “(d) A list of programs, projects, grants and other activities the
3 agencies have planned for the upcoming calendar year.

4 **“SECTION 4.** Section 5 of this 2021 Act is added to and made a part
5 of ORS chapter 742.

6 **“SECTION 5.** (1)(a) Every insurer that transacts insurance in this
7 state shall remit to the Director of the Department of Consumer and
8 Business Services an annual surcharge in accordance with the sched-
9 ule set forth in paragraph (b) of this subsection for each policy of in-
10 surance the insurer issues in this state that is property insurance. The
11 surcharge is in addition to and not in lieu of any other tax, fee or
12 charge that the insurer is otherwise liable to pay. The insurer shall
13 remit the proceeds of the surcharge each calendar year as provided in
14 paragraph (d) of this subsection.

15 **“(b)** An insurer shall pay the surcharge described in paragraph (a)
16 of this subsection on the total number of policies the insurer retains
17 in the insurer’s portfolio on December 31 of each year in the following
18 categories and in the specified amounts:

19 **“(A)** Policies that cover multiple perils for commercial insureds or
20 that cover the peril of fire for commercial insureds, excluding policies
21 that cover only motor vehicles that are used for commercial purposes:

22 **“(i)** \$25 per year for policies that have an annual premium of \$10,000
23 or less; and

24 **“(ii)** \$50 per year for policies that have an annual premium of more
25 than \$10,000.

26 **“(B)** Homeowner and farm owner insurance policies that cover
27 multiple perils or personal insurance policies, other than policies for
28 private passenger automobile coverage, that cover the peril of fire:

29 **“(i)** \$10 per year for policies that have an annual premium of \$1,000
30 or less; and

1 “(ii) \$25 per year for policies that have an annual premium of more
2 than \$1,000.

3 “(c) Regardless of the number of policies of insurance an insurer
4 issues that are property insurance, the minimum amount that an
5 insurer that transacts insurance in this state must remit to the di-
6 rector each calendar year under this subsection is \$1,000.

7 “(d) Each insurer shall pay the amount due to the director under
8 this subsection not later than July 15 of each year.

9 “(2)(a) Not later than August 15 of each year, the director shall is-
10 sue a notice of arrears to each insurer that fails to pay the amount
11 due under this section by July 31 of that year. In the notice, the di-
12 rector shall provide an opportunity for the insurer to appeal the
13 amount in arrears, shall specify the amount and schedule of any ap-
14 plicable late fees or penalties and shall indicate a date by which the
15 insurer must pay the amount in arrears or be subject to the late fee
16 or penalty and possible referral to the Department of Revenue for
17 collection of the amount due.

18 “(b) If the director determines after the insurer’s appeal that the
19 insurer’s debt is valid and that the amount of the debt is correct or
20 if the insurer has not paid an amount in arrears by the date indicated
21 in the director’s notice, the director shall make a final determination
22 of the amount due from the insurer, liquidate the debt and refer the
23 debt to the Department of Revenue for collection under ORS 293.250.

24 “(3)(a) Each insurer that is subject to the requirement set forth in
25 subsection (1) of this section may recoup the amount for which the
26 insurer is liable by one of the following methods:

27 “(A) The insurer may each year charge and collect from each of the
28 insurer’s insureds not more than the amount of the surcharge on each
29 of the insured’s policies of insurance that is property insurance.

30 “(B) The insurer may recoup the surcharge through the insurer’s

1 premium rates.

2 “(b) An insurer that, in the first year after the surcharge is due,
3 does not recoup under paragraph (a) of this subsection the entire
4 amount the insurer remitted to the director under subsection (1) of
5 this section may, during the following year, recoup the remaining
6 amount by collecting a surcharge that exceeds the amount specified
7 in subsection (1)(b) of this section by not more than the amount nec-
8 essary to recoup the surcharge.

9 “(4)(a) A surcharge that an insurer collects under subsection (3) of
10 this section is not a premium for any purpose, including liability for
11 any tax upon premiums or any commissions that an insurance pro-
12 ducer may receive.

13 “(b) If an insurer elects to collect a surcharge under subsection
14 (3)(a) of this section, the insurer shall disclose the amount and nature
15 of the surcharge on a bill or policy declaration the insurer provides to
16 an insured.

17 “(5) The director shall deposit all moneys the director receives un-
18 der this section into the Oregon Wildfire Preparedness and Community
19 Protection Fund established under section 2 of this 2021 Act.

20 “SECTION 6. The surcharge described in section 5 of this 2021 Act
21 applies to policies of insurance that an insurer issues or renews on or
22 after the effective date of this 2021 Act.

23 “SECTION 7. This 2021 Act takes effect on the 91st day after the
24 date on which the 2021 regular session of the Eighty-first Legislative
25 Assembly adjourns sine die.”.

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