

SB 85 A STAFF MEASURE SUMMARY

Carrier: Sen. Golden

Senate Committee On Natural Resources and Wildfire

Action Date: 04/08/25

Action: Do pass with amendments and requesting subsequent referral to Ways and Means be rescinded. (Printed A-Eng.)

Vote: 5-0-0-0

Yeas: 5 - Girod, Golden, Nash, Prozanski, Taylor

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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Meeting Dates: 4/1, 4/8

WHAT THE MEASURE DOES:

The measure requires the Department of Consumer and Business Services (DCBS) and the Department of the State Fire Marshal (OSFM), in collaboration with the Department of Forestry (ODF) and insurance industry representatives, to evaluate and develop community-based wildfire risk mitigation strategies to reduce wildfire risks and improve insurance affordability in Oregon. It declares an emergency, effective upon passage.

Detailed Summary:

Requires DCBS and OSFM, in consultation with ODF and insurance industry representatives, to evaluate and develop recommendations for community-based wildfire risk mitigation actions, programs, and strategies to reduce wildfire risks and improve insurance affordability and availability in Oregon including, but not limited to, establishing defensible space, hardening buildings, obtaining specified certification, and promoting collaboration among residents through community risk reduction programs by OSFM and other specified organizations.

Requires DCBS and OSFM to jointly submit a report to the State Wildfire Programs Director, the Wildfire Programs Advisory Council, and the interim legislative committees related to wildfire by February 2, 2026, including

- recommendations for legislative changes to improve the availability and affordability of homeowners insurance in the state.
- discussion of insurance discounts or incentives for consumers who complete wildfire risk mitigation actions, programs, or strategies.
- information from homeowner insurers (based on premiums underwritten annually) about how wildfire risk mitigation actions are treated in underwriting and rate decisions, including:
 - wildfire risk mitigation actions that significantly impact underwriting or rating decisions.
 - circumstances under which each mitigation action affects underwriting or rating decisions.
 - trends and variability among insurers in how they treat wildfire risk mitigation actions.
 - summary of best practices among insurers who consider wildfire mitigation actions in underwriting and rating decisions.

Finds that all records, documents, work papers, and other information obtained or disclosed to DCBS are confidential, privileged, and exempt from public disclosure. Sunsets January 2, 2027.

Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Senate Bill 762 (2021) and Senate Bill 82 (2023)
- Effects of setting pricing requirements on insurance companies
- Home hardening efforts
- Insurance underwriting systems and processes in wildfire risk areas

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EFFECT OF AMENDMENT:

The amendment replaces the measure. It sunsets the measure on January 2, 2027 and declares an emergency, effective upon passage.

BACKGROUND:

In 2021, the Legislative Assembly passed Senate Bill 762, which directed the State Fire Marshal (SFM) to create a community risk reduction plan for Oregon. The program was developed to help communities identify and reduce wildfire risks through planning, education, and strategic investment. The SFM launched the Fire Adapted Oregon initiative and hired regional specialists to assist local communities with risk reduction. It also established grant programs for defensible space and community risk reduction efforts, funding projects and equipment for local governments and organizations.

In 2023 the Legislative Assembly passed Senate Bill 82. This law requires insurers to notify homeowners of policy cancellations, non-renewals, or premium increases due to wildfire risk. The notice is required to include property-specific wildfire risk information, mitigation actions to improve insurability, potential discounts, and wildfire risk classifications. Insurers must also provide public information on how mitigation actions affect underwriting and rates and may not use the state's wildfire risk map as the sole basis for policy changes.