

## HOUSE AMENDMENTS TO A-ENGROSSED HOUSE BILL 3940

By COMMITTEE ON REVENUE

June 19

1 On page 1 of the printed A-engrossed bill, line 2, after “wildfire;” delete the rest of the line and  
2 lines 3 through 6 and insert “creating new provisions; amending ORS 242.702, 291.055, 293.144,  
3 293.148, 321.005, 321.011, 321.012, 321.015, 323.500, 323.505, 323.510, 323.515, 323.625, 477.001, 477.205,  
4 477.230, 477.232, 477.270, 477.277, 477.281, 477.295, 477.440, 477.445, 477.450, 477.455, 477.460, 477.750,  
5 477.755, 477.760, 477.770, 477.775, 477.777, 478.010, 478.120, 478.140 and 526.122 and section 20,  
6 chapter 592, Oregon Laws 2021; repealing ORS 476.310, 476.320, 476.330, 476.340, 477.415, 477.880,  
7 477.960, 477.970 and 526.123; prescribing an effective date; and providing for revenue raising that  
8 requires approval by a three-fifths majority.”.

9 Delete lines 8 through 19 and delete pages 2 through 20 and insert:

### “ORAL NICOTINE PRODUCTS TAX

10  
11  
12  
13 **“SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS 323.500 to**  
14 **323.645.**

15 **“SECTION 2. (1) In addition to and not in lieu of any other taxes, a tax is imposed on the**  
16 **distribution of oral nicotine products in this state. The tax imposed by this section is in-**  
17 **tended to be a direct tax on the consumer, for which payment upon distribution is required**  
18 **to achieve convenience and facility in the collection and administration of the tax. The tax**  
19 **shall be imposed on a distributor at the time the distributor distributes oral nicotine pro-**  
20 **ducts.**

21 **“(2) The tax imposed under this section shall be imposed at the following rates:**

22 **“(a) For each package containing 20 or fewer discrete consumable units, 65 cents; and**

23 **“(b) For each package containing more than 20 discrete consumable units, 3.25 cents per**  
24 **discrete consumable unit, rounded to the nearest whole cent.**

25 **“SECTION 3. The balance of moneys received by the Department of Revenue under the**  
26 **tax imposed on oral nicotine products under section 2 of this 2025 Act, after payment of ex-**  
27 **penses, refunds and credits under ORS 323.625, shall be distributed as follows:**

28 **“(1) One-third of the moneys shall be deposited in the Landscape Resiliency Fund estab-**  
29 **lished under ORS 477.502; and**

30 **“(2) Two-thirds of the moneys shall be deposited in the Community Risk Reduction Fund**  
31 **established under ORS 476.396.**

32 **“SECTION 4. ORS 323.500 is amended to read:**

33 **“323.500. As used in ORS 323.500 to 323.645, unless the context otherwise requires:**

34 **“(1) ‘Business’ means any trade, occupation, activity or enterprise engaged in for the purpose**  
35 **of selling or distributing tobacco products in this state.**

1           “(2) ‘Cigar’ means a roll for smoking that is of any size or shape and that is made wholly or in  
2 part of tobacco, irrespective of whether the tobacco is pure or flavored, adulterated or mixed with  
3 any other ingredient, if the roll has a wrapper made wholly or in greater part of tobacco and if 1,000  
4 of these rolls collectively weigh more than three pounds. ‘Cigar’ does not include a cigarette, as  
5 defined in ORS 323.010.

6           “(3) ‘Consumer’ means any person who purchases tobacco products in this state for the person’s  
7 use or consumption or for any purpose other than for reselling the tobacco products to another  
8 person.

9           “(4) ‘Contraband tobacco products’ means tobacco products or packages containing tobacco  
10 products:

11           “(a) That do not comply with the requirements of ORS 323.500 to 323.645;

12           “(b) That do not comply with the requirements of the tobacco products tax laws of the federal  
13 government or of other states;

14           “(c) That bear trademarks that are counterfeit under ORS 647.135 or other state or federal  
15 trademark laws; or

16           “(d) That have been sold, offered for sale or possessed for sale in this state in violation of ORS  
17 180.486.

18           “(5) ‘Department’ means the Department of Revenue.

19           “(6) ‘Distribute’ means:

20           “(a) Bringing, or causing to be brought, into this state from without this state tobacco products  
21 for sale, storage, use or consumption;

22           “(b) Making, manufacturing or fabricating tobacco products in this state for sale, storage, use  
23 or consumption in this state;

24           “(c) Shipping or transporting tobacco products to retail dealers in this state, to be sold, stored,  
25 used or consumed by those retail dealers;

26           “(d) Storing untaxed tobacco products in this state that are intended to be for sale, use or  
27 consumption in this state;

28           “(e) Selling untaxed tobacco products in this state; or

29           “(f) As a consumer, being in possession of untaxed tobacco products in this state.

30           “(7) ‘Distributor’ means:

31           “(a) Any person engaged in the business of selling tobacco products in this state who brings,  
32 or causes to be brought, into this state from without the state any tobacco products for sale;

33           “(b) Any person who makes, manufactures or fabricates tobacco products in this state for sale  
34 in this state;

35           “(c) Any person engaged in the business of selling tobacco products without this state who ships  
36 or transports tobacco products to retail dealers in this state, to be sold by those retail dealers;

37           “(d) Any person, including a retail dealer, who sells untaxed tobacco products in this state; or

38           “(e) A consumer in possession of untaxed tobacco products in this state.

39           “(8)(a) ‘Inhalant delivery system’ means:

40           “(A) A device that can be used to deliver nicotine in the form of a vapor or aerosol to a person  
41 inhaling from the device; or

42           “(B) A component of a device described in this paragraph or a substance in any form sold for  
43 the purpose of being vaporized or aerosolized by a device described in this paragraph, whether the  
44 component or substance is sold separately or is not sold separately.

45           “(b) ‘Inhalant delivery system’ does not include:

1 “(A) Any product that has been approved by the United States Food and Drug Administration  
2 for sale as a tobacco cessation product or for any other therapeutic purpose, if the product is mar-  
3 keted and sold solely for the approved purpose;

4 “(B) If sold separately, battery chargers, straps or lanyards; or

5 “(C) Marijuana items as defined in ORS 475C.009.

6 “(9) ‘Manufacturer’ means a person who manufactures tobacco products for sale.

7 “(10) ‘Moist snuff’ means:

8 “(a) Any finely cut, ground or powdered tobacco that is not intended to be smoked or placed in  
9 a nasal cavity; or

10 “(b) Any other product containing tobacco that is intended or expected to be consumed without  
11 being combusted.

12 “(11)(a) **‘Oral nicotine product’ means any noncombustible product that:**

13 **“(A) Contains nicotine derived from any source, or a nicotine analog; and**

14 **“(B) Is intended for human consumption via the oral cavity by any means other than**  
15 **inhalation.**

16 **“(b) ‘Oral nicotine product’ does not include:**

17 **“(A) Moist snuff; or**

18 **“(B) Any product regulated as a drug or device by the United States Food and Drug Ad-**  
19 **ministration under chapter V of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 351 et**  
20 **seq.).**

21 “[11] (12) ‘Place of business’ means any place where tobacco products are sold or where to-  
22 bacco products are manufactured, stored or kept for the purpose of sale or consumption, including  
23 any vessel, vehicle, airplane, train or vending machine.

24 “[12] (13) ‘Retail dealer’ means any person who is engaged in the business of selling or other-  
25 wise dispensing tobacco products to consumers. The term also includes the operators of or recipients  
26 of revenue from all places such as smoke shops, cigar stores and vending machines, where tobacco  
27 products are made or stored for ultimate sale to consumers.

28 “[13] (14) ‘Sale’ means any transfer, exchange or barter, in any manner or by any means, for  
29 a consideration, and includes and means all sales made by any person. It includes a gift by a person  
30 engaged in the business of selling tobacco products, for advertising, as a means of evading the pro-  
31 visions of ORS 323.500 to 323.645, or for any other purpose.

32 “[14] (15) ‘Taxpayer’ includes a distributor or other person required to pay a tax imposed under  
33 ORS 323.500 to 323.645.

34 “[15] (16) ‘Tobacco products’ means cigars, cheroots, stogies, periques, granulated, plug cut,  
35 crimp cut, ready rubbed and other smoking tobacco, snuff, snuff flour, moist snuff, cavendish, plug  
36 and twist tobacco, fine-cut and other chewing tobaccos, shorts, refuse scraps, clippings, cuttings and  
37 sweepings of tobacco and other kinds and forms of tobacco, prepared in such manner as to be suit-  
38 able for chewing or smoking in a pipe or otherwise, or both for chewing and smoking, **oral nicotine**  
39 **products** and inhalant delivery systems, but does not include cigarettes as defined in ORS 323.010.

40 “[16] (17) ‘Untaxed tobacco products’ means tobacco products for which the tax required under  
41 ORS 323.500 to 323.645 has not been paid.

42 “[17] (18) ‘Wholesale sales price’ means the price paid for untaxed tobacco products to or on  
43 behalf of a seller by a purchaser of the untaxed tobacco products.

44 **“SECTION 4a.** ORS 323.505 is amended to read:

45 **“323.505. (1) A tax is hereby imposed upon the distribution of [all] tobacco products in this state.**

1 The tax imposed by this section is intended to be a direct tax on the consumer, for which payment  
2 upon distribution is required to achieve convenience and facility in the collection and administration  
3 of the tax. The tax shall be imposed on a distributor at the time the distributor distributes tobacco  
4 products.

5 “(2) The tax imposed under this section shall be imposed at the rate of:

6 “(a) Sixty-five percent of the wholesale sales price of cigars, but not to exceed one dollar per  
7 cigar;

8 “(b) One dollar and seventy-eight cents per ounce based on the net weight determined by the  
9 manufacturer, in the case of moist snuff, except that the minimum tax under this paragraph is \$2.14  
10 per retail container; or

11 “(c) Sixty-five percent of the wholesale sales price of all tobacco products that are not cigars  
12 [or], moist snuff **or oral nicotine products**.

13 “(3) For reporting periods beginning on or after July 1, 2022, the rates of tax applicable to moist  
14 snuff under subsection (2)(b) of this section shall be adjusted for each biennium according to the  
15 cost-of-living adjustment for the calendar year. The Department of Revenue shall recompute the  
16 rates for each biennium by adding to the rates in subsection (2)(b) of this section the product ob-  
17 tained by multiplying the rates in subsection (2)(b) of this section by a factor that is equal to 0.25  
18 multiplied by the percentage (if any) by which the monthly averaged U.S. City Average Consumer  
19 Price Index for the 12 consecutive months ending August 31 of the prior calendar year exceeds the  
20 monthly averaged U.S. City Average Consumer Price Index for the 12 consecutive months ending  
21 August 31, 2020.

22 “(4) If the tax imposed under this section does not equal an amount calculable to a whole cent,  
23 the tax shall be equal to the next higher whole cent. However, the amount remitted to the Depart-  
24 ment of Revenue by the taxpayer for each quarter shall be equal only to 98.5 percent of the total  
25 taxes due and payable by the taxpayer for the quarter.

26 “(5) A tax under this section is not imposed on inhalant delivery systems that are:

27 “(a) Marketed and sold solely for the purpose of vaporizing or aerosolizing marijuana items as  
28 defined in ORS 475C.009; or

29 “(b) Purchased in a medical marijuana dispensary that is registered under ORS 475C.833 by a  
30 person to whom a registry identification card has been issued under ORS 475C.783.

31 “(6) No tobacco product shall be subject to the tax if the base product or other intermediate  
32 form thereof has previously been taxed under this section.

33 “**SECTION 4b.** ORS 323.510 is amended to read:

34 “323.510. (1) Except as otherwise provided in ORS 323.500 to 323.645, the tax imposed by ORS  
35 323.505 and 323.565 **and section 2 of this 2025 Act** shall be paid by each distributor and each  
36 common carrier or authorized person specified in ORS 323.565 to the Department of Revenue on or  
37 before the last day of January, April, July and October of each year for the preceding calendar  
38 quarter.

39 “(2) With each quarterly payment, the taxpayer shall submit a return to the department, in such  
40 form and containing such information as the department shall prescribe.

41 “(3) The tax, penalties and interest imposed by ORS 323.500 to 323.645 shall be a personal debt,  
42 from the time liability is incurred, owed by the taxpayer to the State of Oregon until paid.

43 “(4) The returns required of distributors and common carriers or authorized persons specified  
44 in ORS 323.565 under this section shall be filed by the distributors, common carriers or authorized  
45 persons regardless of whether any tax is owed by them.

1 “(5)(a) The department for good cause may extend the time for making any return under ORS  
2 323.500 to 323.645. The extension may be granted at any time if a written request is filed with the  
3 department within or prior to the period for which the extension may be granted. The department  
4 may not grant an extension of more than one month.

5 “(b) When the time for filing a return is extended at the request of a taxpayer, interest shall  
6 be added at the rate established under ORS 305.220 from the time the return was originally required  
7 to be filed to the time of payment.

8 “**SECTION 4c.** ORS 323.515 is amended to read:

9 “323.515. The tax imposed by ORS 323.505 **and section 2 of this 2025 Act** does not apply with  
10 respect to any tobacco products which under the Constitution and laws of the United States may  
11 not be made the subject of taxation by *[the]* **this** state.

12 “**SECTION 4d.** ORS 323.625 is amended to read:

13 “323.625. All moneys received by the Department of Revenue under ORS 323.500 to 323.645 shall  
14 be deposited in the State Treasury and credited to a suspense account established under ORS  
15 293.445. The department may pay expenses for administration and enforcement of ORS 323.500 to  
16 323.645 out of moneys received from the taxes imposed under ORS 323.505 and 323.565. Amounts  
17 necessary to pay administrative and enforcement expenses are continuously appropriated to the de-  
18 partment from the suspense account. After the payment of administrative and enforcement expenses  
19 and refunds or credits arising from erroneous overpayments, and except as provided in ORS 323.627  
20 **and section 3 of this 2025 Act**, the balance of the money shall be credited to the General Fund.  
21 Of the amount credited to the General Fund under this section 41.54 percent shall be dedicated to  
22 funding the maintenance and expansion of the number of persons eligible for the medical assistance  
23 program under ORS chapter 414, or to funding the maintenance of the benefits available under the  
24 program, or both, and 4.62 percent shall be credited to the Tobacco Use Reduction Account estab-  
25 lished under ORS 431A.153.

26 “**SECTION 4e. Section 2 of this 2025 Act applies to tobacco products tax reporting periods**  
27 **beginning on or after January 1, 2026.**

28  
29 **“OREGON RAINY DAY FUND INTEREST**

30  
31 “**SECTION 5.** ORS 293.144 is amended to read:

32 “293.144. (1) The Oregon Rainy Day Fund is established as an account in the General Fund.

33 “(2) The Legislative Assembly may appropriate moneys from the Oregon Rainy Day Fund only  
34 if the appropriation is approved by three-fifths of the members serving in each house of the Legis-  
35 lative Assembly and the Legislative Assembly finds one of the following:

36 “(a) That the last quarterly economic and revenue forecast for a biennium indicates that moneys  
37 available to the General Fund for the next biennium will be at least three percent less than appro-  
38 priations from the General Fund for the current biennium;

39 “(b) That there has been a decline for two or more consecutive quarters in the last 12 months  
40 in seasonally adjusted nonfarm payroll employment; or

41 “(c) That a quarterly economic and revenue forecast projects that revenues in the General Fund  
42 in the current biennium will be at least two percent below what the revenues were projected to be  
43 in the revenue forecast on which the legislatively adopted budget for the current biennium was  
44 based.

45 “(3) Once each month, the Oregon Department of Administrative Services shall calculate the

1 amount of General Fund interest that is attributable to moneys in the Oregon Rainy Day Fund.  
2 Except as otherwise provided in ORS 293.148, the department shall [*transfer the amount calculated*  
3 *under this subsection to the Oregon Rainy Day Fund.*]:

4 “(a) **Transfer 6.7 percent of the amount calculated to the Landscape Resiliency Fund es-**  
5 **tablished under ORS 477.502;**

6 “(b) **Transfer 13.3 percent of the amount calculated to the Community Risk Reduction**  
7 **Fund established under ORS 476.396; and**

8 “(c) **Transfer 80 percent of the amount calculated to the Oregon Rainy Day Fund.**

9 “(4) The Legislative Assembly may not appropriate for any one biennium more than two-thirds  
10 of the amount that is in the Oregon Rainy Day Fund at the beginning of that biennium. If the ap-  
11 propriation is for a biennium that has not yet begun, the Legislative Assembly may use as the base  
12 the most recent estimate of the amount that will be in the Oregon Rainy Day Fund at the beginning  
13 of the biennium for which the appropriation is made.

14 “(5) As used in this section, ‘legislatively adopted budget’ has the meaning given that term in  
15 ORS 291.002.

16 “**SECTION 5a.** ORS 293.148, as amended by section 1, chapter 98, Oregon Laws 2024, is  
17 amended to read:

18 “293.148. (1) If the moneys in the Oregon Rainy Day Fund established by ORS 293.144 just prior  
19 to the time of a transfer scheduled under ORS 293.144 (3)(c) or 293.146 equal at least 12.5 percent  
20 of the amount of General Fund revenues collected during the prior biennium, moneys that would  
21 otherwise be transferred to the Oregon Rainy Day Fund shall be deposited in the General Fund.

22 “(2) If the moneys in the Oregon Rainy Day Fund just prior to the time of a transfer scheduled  
23 under ORS 293.144 (3)(c) or 293.146 do not equal at least 12.5 percent of the amount of General Fund  
24 revenues collected during the prior biennium, the transfer to the Oregon Rainy Day Fund shall be  
25 made regardless of whether that transfer increases the amount in the Oregon Rainy Day Fund to  
26 at least 12.5 percent of the amount of General Fund revenues collected during the prior biennium.

27  
28 **“FOREST PRODUCTS HARVEST TAX FOR**  
29 **WILDFIRE MITIGATION AND SUPPRESSION**

30  
31 “**SECTION 5b.** ORS 321.011 is amended to read:

32 “321.011. The prevention and suppression of, **and preparedness for**, forest fires on forestlands  
33 for the preservation of forest resources and the continuous growth of timber on lands suitable  
34 therefor, are declared to be the public policy of the State of Oregon. The Legislative Assembly re-  
35 cognizes that:

36 “(1) The forested areas situated within eastern Oregon predominate in Ponderosa pine trees and  
37 associated species, and that the forested areas situated within western Oregon predominate in  
38 Douglas fir and associated species;

39 “(2) Because of this difference in species, different forest fire protection problems exist in east-  
40 ern and western Oregon, and different logging conditions and circumstances in each necessitate  
41 varied forest practices in the disposal of forest slashings and debris; and

42 “(3) Therefore, in order to give recognition to such differences and their effect on the accom-  
43 plishment of the public policy stated in this section, certain classifications of forestlands within the  
44 State of Oregon are established by ORS 321.005 to 321.185 and 321.560 to 321.600.

45 “**SECTION 5c.** ORS 321.012 is amended to read:

1 “321.012. The Legislative Assembly finds that it is in the interest of the State of Oregon that  
2 the public as a whole share responsibility for protecting the forests of this state, by making funds  
3 available [from time to time] for suppression of fires [caused by the public].

4 “**SECTION 6.** ORS 321.015 is amended to read:

5 “321.015. (1) For the calendar years beginning January 1, 2024, and January 1, 2025, there is  
6 levied a privilege tax of 90.00 cents per thousand feet, board measure, upon taxpayers for the priv-  
7 ilege of harvesting of all merchantable forest products harvested on forestlands. Subject to ORS  
8 321.145, the proceeds of the tax shall be transferred as provided in ORS 321.152 (2) to the Forest  
9 Research and Experiment Account for use for the forest resource research, experimentation and  
10 studies described in ORS 526.215 and for the Forest Research Laboratory established under ORS  
11 526.225.

12 “(2)(a) [Except as provided in ORS 477.760,] In addition to the tax levied by subsection (1) of this  
13 section, there is levied a forest products harvest tax upon taxpayers of [62.5 cents] **one dollar** per  
14 thousand feet, board measure, for the privilege of harvesting all merchantable forest products har-  
15 vested on forestlands for the payment of benefits related to fire suppression as provided in ORS  
16 321.005 to 321.185, 321.560 to 321.600 and 477.440 to 477.460.

17 “(b)(A) **The rate set under paragraph (a) of this subsection for any calendar year shall**  
18 **be adjusted by the percentage, if any, by which the monthly averaged Consumer Price Index**  
19 **for All Urban Consumers, West Region (All Items) for the 12 consecutive months ending**  
20 **August 31 of the prior calendar year exceeds the monthly averaged index for the 12 consec-**  
21 **utive months ending August 31, 2024.**

22 “(B) **The adjusted rate computed under subparagraph (A) of this paragraph shall be**  
23 **rounded to the nearest one-tenth of a cent.**

24 “(3) For the calendar years beginning January 1, 2024, and January 1, 2025, in addition to the  
25 taxes levied under subsections (1) and (2) of this section, there is levied a privilege tax upon tax-  
26 payers for the privilege of harvesting all merchantable forest products harvested on forestlands in  
27 the amount of 253.46 cents per thousand feet, board measure, for the purpose of administering the  
28 Oregon Forest Practices Act in an amount not to exceed 40 percent of the total expenditures ap-  
29 proved by the Legislative Assembly for this purpose, including salary adjustments approved by the  
30 Legislative Assembly for fiscal years 2024 and 2025.

31 “(4) For the calendar years beginning January 1, 2024, and January 1, 2025, in addition to the  
32 taxes levied by subsections (1) to (3) of this section, there is levied a privilege tax of 21 cents per  
33 thousand feet, board measure, upon taxpayers for the privilege of harvesting all merchantable forest  
34 products harvested on forestlands. Subject to ORS 321.145, the proceeds of the tax shall be trans-  
35 ferred as provided in ORS 321.152 (5) to the subaccount established pursuant to ORS 350.520 for use  
36 by Oregon State University for the purpose of making investments in professional forestry education  
37 at the College of Forestry.

38 “(5) Subject to subsection (6) of this section, the taxes shall be measured by and be applicable  
39 to each per thousand feet, board measure, on the total quantity of forest products harvested in this  
40 state measured by use of any log scale which is or may be in general use in the logging industry  
41 and which is designed to measure total volume of merchantable forest products in board feet. How-  
42 ever, if the Department of Revenue finds that the scale used by any taxpayer in computing the taxes  
43 due under ORS 321.005 to 321.185 and 321.560 to 321.600 does not accurately reflect the total  
44 quantity of merchantable forest products harvested by the taxpayer, it may require the taxpayer to  
45 adopt another log scale in general use in the industry which in the department’s opinion will accu-

1 rately reflect merchantable harvest in board feet.

2 “(6) The first 25,000 feet, board measure, of forest products harvested annually by any taxpayer  
3 during each calendar year shall be excluded from the total quantity of harvested forest products that  
4 constitutes the measure of the taxes under ORS 321.005 to 321.185 and 321.560 to 321.600.

5 “(7)(a) Not later than March 10 of each odd-numbered year, the Legislative Assembly shall begin  
6 considering the biennial forest products harvest tax rates levied under subsections (1), (3) and (4)  
7 of this section.

8 “(b) Upon request of the Legislative Revenue Officer or the Legislative Fiscal Officer, the State  
9 Forestry Department shall provide the respective officers with relevant timber harvest data for the  
10 purposes of paragraph (a) of this subsection.

11 **“SECTION 7. The amendments to ORS 321.015 by section 6 of this 2025 Act apply to cal-**  
12 **endar years beginning on or after January 1, 2026.**

13 **“SECTION 8.** ORS 321.005 is amended to read:

14 “321.005. As used in ORS 321.005 to 321.185[,] **and** 321.560 to 321.600 [*and 477.440 to 477.460*],  
15 unless the context requires otherwise:

16 “[*(1) ‘Board’ means the State Board of Forestry.*]

17 “[*(2) ‘Protected forestlands’ means those lands which are protected from the starting or spread of*  
18 *fire thereon or therefrom by:*]

19 “[*(a) The State Forester, with the approval of the board;*]

20 “[*(b) The United States of America through contract with the State Forester;*]

21 “[*(c) Any forest protective agency under contract with the State Forester or the board pursuant to*  
22 *ORS 477.406; or*]

23 “[*(d) Any forest protective agency, described in paragraph (c) of this subsection, under an agree-*  
24 *ment with the United States of America wherein such agency agrees to protect specific federal*  
25 *forestlands and, in return, the United States of America agrees to protect specific lands of such*  
26 *agency.*]

27 “[*(3) ‘Department’ means the Department of Revenue.*]

28 “[*(4) ‘Committee’ means the Emergency Fire Cost Committee.*]

29 **“(1) ‘Consumer Price Index for All Urban Consumers, West Region (All Items)’ means**  
30 **the Consumer Price Index for All Urban Consumers, West Region (All Items), as published**  
31 **by the Bureau of Labor Statistics of the United States Department of Labor.**

32 “[*(5) (2) ‘Forestland’ means any land producing forest products.*]

33 “[*(6) (3) ‘Forest products’ means products from harvested timber, but does not include products*  
34 *from short rotation fiber grown under agricultural conditions as described in ORS 321.267 (3) or*  
35 *321.824 (3), western juniper or products from harvested western juniper.*]

36 “[*(7) (4) ‘Harvest’ means the point at which timber that has been cut, severed, or removed for*  
37 *purposes of sale or use is first measured in the ordinary course of business as determined by refer-*  
38 *ence to common practice in the timber industry.*]

39 “[*(8) (5) ‘Merchantable stand of timber’ means any stand on forestlands containing living or*  
40 *dead timber which is being or can be harvested.*]

41 “[*(9) ‘Taxpayer’ means the owner of timber at time of harvest.*]

42 **“(6) ‘Owner of timber’ means any individual or combination of individuals, partnership,**  
43 **firm, corporation or association of whatever nature holding title to harvested timber by**  
44 **virtue of:**

45 **“(a) An instrument of conveyance;**



1 public values;

2 “(B) The identification of barriers to more efficient implementation and achievement of goals in  
3 future wildfire risk reduction projects;

4 “(C) A qualitative and quantitative summary of the use of prescribed fire activities and invasive  
5 annual grass treatments for wildfire risk reduction that, at a minimum, states the number of acres  
6 burned or treated and any resulting or anticipated changes in landscape conditions related to en-  
7 hanced resiliency or the mitigation of wildfire risk to public values;

8 “(D) The identification of existing disincentives to, and recommendation for reducing barriers  
9 to, the use of prescribed fire;

10 “(E) Recommendations for creating optimal working relationships with forestland or rangeland  
11 collaboratives and other relevant community organizations regarding future wildfire risk reduction  
12 projects;

13 “(F) A description of the funding source types and amounts secured by the department as  
14 matching funds to carry out projects; and

15 “(G) Recommendations for investment in future wildfire risk reduction projects to be carried out  
16 in the 2023-2025 biennium.

17 “(b) In developing the report required under this subsection, the department shall work in co-  
18 ordination with federal land management agencies, institutions of higher education and third parties  
19 to develop consistent performance measurements and condition-based metrics for monitoring and  
20 communicating the effectiveness of state investments and project actions in reducing wildfire risk  
21 on public or private forestlands and rangelands and in communities.

22  
23 **“STATE FORESTRY DEPARTMENT LARGE WILDFIRE FUND**

24  
25 **“SECTION 10. (1) The State Forestry Department Large Wildfire Fund is established in**  
26 **the State Treasury, separate and distinct from the General Fund.**

27 **“(2) The State Forestry Department Large Wildfire Fund shall be held by the State**  
28 **Treasurer as a fund for use by the State Forestry Department for wildfire mitigation and**  
29 **suppression. The State Treasurer shall deposit and invest moneys in the fund as provided by**  
30 **law, taking into account its uses. Interest earned by the fund shall be credited to the fund.**

31 **“(3) The fund consists of moneys appropriated by the Legislative Assembly for deposit in**  
32 **the fund, moneys received by the department from the federal government and other moneys**  
33 **appropriated to, allocated to, deposited in or transferred to the fund by the Legislative As-**  
34 **sembly or otherwise.**

35 **“SECTION 10a. (1) Except as provided in subsection (2) of this section, the State Forestry**  
36 **Department may transfer moneys from the State Forestry Department Large Wildfire Fund**  
37 **to other funds or accounts that are continuously appropriated to the department as the de-**  
38 **partment deems necessary to carry out its duties.**

39 **“(2) The department may not transfer moneys from the State Forestry Department**  
40 **Large Wildfire Fund to the Oregon Forest Land Protection Fund.**

41  
42 **“DEFINITION OF ‘CENTRALIZED ADMINISTRATION COSTS’**

43  
44 **“SECTION 11. ORS 477.001 is amended to read:**

45 **“477.001. As used in this chapter[, unless the context otherwise requires]:**

1 “(1) ‘Additional fire hazard’ means a hazard that has been determined to exist by the forester  
2 pursuant to ORS 477.580.

3 “(2) ‘Board’ means the State Board of Forestry.

4 “(3) ‘Campfire’ means any open fire used for cooking, personal warmth, lighting, ceremonial or  
5 aesthetic purposes that is hand built and that is not associated with any debris disposal activities.

6 “(4) **‘Centralized administration costs’ means all costs associated with:**

7 **“(a) Administration of the State Forestry Department;**

8 **“(b) The following services, provided statewide and in areas of this state by the depart-**  
9 **ment:**

10 **“(A) Fire management on forestland;**

11 **“(B) Emergency response and support; and**

12 **“(C) Other services not described in this paragraph; and**

13 **“(c) The procurement of supplies related to purposes described in this subsection.**

14 “[4] (5) ‘Department’ means the State Forestry Department.

15 “[5] (6) ‘District’ means a forest protection district organized under ORS 477.225.

16 “[6] (7) ‘Every reasonable effort’ means the use of the reasonably available personnel and  
17 equipment under the supervision and control of an owner or operator, which are needed and effec-  
18 tive to fight the fire in the judgment of the forester and which can be brought to bear on the fire  
19 in a timely fashion.

20 “[7] (8) ‘Fire season’ means a period designated pursuant to ORS 477.505.

21 “[8] (9) ‘Fiscal year’ means the period beginning on July 1 of any year and ending on June 30  
22 of the next year.

23 “[9] (10) ‘Forestland’ means any woodland, brushland, timberland, grazing land or clearing that,  
24 during any time of the year, contains enough forest growth, slashing or vegetation to constitute, in  
25 the judgment of the forester, a fire hazard, regardless of how the land is zoned or taxed. As used in  
26 this subsection, ‘clearing’ means any grassland, improved area, lake, meadow, mechanically or man-  
27 ually cleared area, road, rocky area, stream or other similar forestland opening that is surrounded  
28 by or contiguous to forestland and that has been included in areas classified as forestland under  
29 ORS 526.305 to 526.370.

30 “[10] (11) ‘Forest patrol assessment’ means the costs levied and assessed under ORS 477.270.

31 “[11] (12) ‘Forest protective association’ or ‘association’ means an association, group or agency  
32 composed of owners of forestlands, organized for the purpose of protecting such forestlands from  
33 fire.

34 “[12] (13) ‘Forest resource’ means the various types of vegetation normally growing on  
35 Oregon’s forestland, the associated harvested products and the associated residue, including but not  
36 limited to brush, grass, logs, saplings, seedlings, trees and slashing.

37 “[13] (14) ‘Forester’ means the State Forester or authorized representative.

38 “[14] (15) ‘Governing body’ of a county means the county court or board of county commis-  
39 sioners.

40 “[15] (16) ‘Grazing land’ is defined by ORS 477.205.

41 “[16] (17) ‘Open fire’ means any outdoor fire that occurs in such a manner that combustion air  
42 is not effectively controlled and combustion products are not effectively vented through a stack or  
43 chimney.

44 “[17] (18) ‘Operation’ means any industrial activity, any development or any improvement on  
45 forestland inside or within one-eighth of one mile of a forest protection district, including but not

1 limited to the harvesting of forest tree species, the clearing of land, the use of power-driven ma-  
2 chinery and the use of fire, excluding, however, the culture and harvesting of agricultural crops.

3 “[18] (19) ‘Operation area’ means the area on which an operation is being conducted and the  
4 area on which operation activity may have resulted in the ignition of a fire.

5 “[19] (20) ‘Operation in progress’ means that time when workers are on an operation area for  
6 the purpose of an operation, including the period of time when fire watches are required to be on  
7 the operation area pursuant to ORS 477.665.

8 “[20] (21) ‘Operator’ means any person who, either personally or through employees, agents,  
9 representatives or contractors, is carrying on or has carried on any operation.

10 “[21] (22) ‘Owner’ means an individual, a combination of individuals, a partnership, a corpo-  
11 ration, the State of Oregon or a political subdivision thereof, or an association of any nature that  
12 holds an ownership interest in land.

13 “[22] (23) ‘Political subdivision’ includes, but is not limited to, counties, cities and special dis-  
14 tricts.

15 “[23] (24) ‘Rangeland’ is defined by ORS 477.315.

16 “[24] (25) ‘Routine road maintenance’ is defined by ORS 477.625.

17 “[25] (26) ‘Side’ means any single unit of a logging operation employing power-driven machin-  
18 ery.

19 “[26] (27) ‘Slashing’ means the forest debris or refuse on any forestland resulting from the  
20 cutting, killing, pruning, severing or removal of brush, trees or other forest growth.

21 “[27] (28) ‘State Forester’ means the person appointed State Forester pursuant to ORS 526.031  
22 or the person serving in the position on an interim or delegated basis.

23 “[28] (29) ‘Summit of the Cascade Mountains’ is considered to be a line beginning at the  
24 intersection of the northern boundary of the State of Oregon and the western boundary of Wasco  
25 County; thence southerly along the western boundaries of Wasco, Jefferson, Deschutes and Klamath  
26 Counties to the southern boundary of the State of Oregon.

27 “[29] (30) ‘Timberland’ is defined by ORS 477.205.

28 “[30] (31) ‘Warden’ means a fire warden appointed under ORS 477.355.

## 29 30 “FOREST PROTECTION DISTRICTS

31  
32 “**SECTION 12.** ORS 477.205 is amended to read:

33 “477.205. As used in ORS 477.205 to 477.281[, *unless the context requires otherwise*]:

34 “(1) ‘**Budget**’ means an estimate of the amount of moneys a forest protection district  
35 needs for preparedness for, and for the prevention and suppression of, forest fires on  
36 forestland, not including centralized administration costs.

37 “[1] (2) ‘Grazing land’ means forestland, within a forest protection district, that has been  
38 classified as Class 3, agricultural class, as provided by ORS 526.305 to 526.370.

39 “[2] (3) ‘Timberland’ means forestland, within a forest protection district, that has not been  
40 classified as Class 3, agricultural class, under ORS 526.305 to 526.370.

41 “**SECTION 13.** ORS 477.230 is amended to read:

42 “477.230. (1) The annual cost of protection provided by the [forester] **State Forester** for  
43 forestland within a forest protection district shall be as [follows:] **described in this section.**

44 “[a] (2)(a) Grazing land within the district shall be protected by the [forester] **State Forester**  
45 at a pro rata cost of **not less than 30 cents** per acre for all grazing land within the district

1 boundary. However, forest patrol assessments levied and assessed under ORS 477.270 against such  
2 lands that are not owned by public agencies, **including grazing land owned in fee by a federally**  
3 **recognized Indian tribe in this state or by a member of a federally recognized Indian tribe**  
4 **in this state**, may not exceed one-half of the pro rata cost per acre, exclusive of any [assessment  
5 per acre under ORS 477.880] **distributions made to forest protection districts from the Oregon**  
6 **Forest Land Protection Fund under ORS 477.445.**

7 “(b)(A) Except as provided by subparagraph (B) of this paragraph, the rates established  
8 by paragraph (a) of this subsection shall be adjusted annually for inflation since 2025 based  
9 on the Consumer Price Index for All Urban Consumers, West Region (All Items), as pub-  
10 lished by the Bureau of Labor Statistics of the United States Department of Labor.

11 “(B) If the annual adjustment under this paragraph results in a rate that is lower than  
12 the rate for the previous year, the rate shall remain unchanged from the previous year.

13 “[b)] (3) Timberland within the district shall be protected by the [forester] **State Forester** at  
14 a pro rata cost per acre for all timberland within the district boundary. However, forest patrol as-  
15 sessments levied and assessed under ORS 477.270 against [such lands] **timberland** that [are] is not  
16 owned by public agencies, **including timberland owned in fee by a federally recognized Indian**  
17 **tribe in this state or by a member of a federally recognized Indian tribe in this state**, may  
18 not exceed one-half of the pro rata cost per acre, exclusive of any [assessment per acre under ORS  
19 477.880] **distributions made to forest protection districts from the Oregon Forest Land Pro-**  
20 **tection Fund under ORS 477.445.**

21 “[2)] (4) The cost of protection described in this section shall be in accordance with a budget  
22 for the district approved by the State Board of Forestry.

23 “**SECTION 14.** ORS 477.270 is amended to read:

24 “477.270. (1) Subject to the forest patrol assessment limitations set forth in ORS 477.230:

25 “(a) The budgeted cost of the forester, as provided for in ORS 477.205 to 477.281, in providing  
26 protection for privately owned forestland shall be a lien upon such property, shall be reported by  
27 the forester to the governing body of the county in which the lands are situated on or after July 1  
28 of each fiscal year, and shall be levied and collected by the governing body with the next taxes on  
29 the land in the same manner and with the same interest, penalty and cost charges as apply to ad  
30 valorem property taxes in this state. The governing body shall instruct the proper officer to extend  
31 the amounts on the assessment roll in a separate account, and the procedure provided by law for  
32 the collection of taxes and delinquent taxes shall apply. Upon collection thereof, the governing body  
33 shall repay the entire amount collected to the forester.

34 “(b) In lieu of the procedures under paragraph (a) of this subsection, the forester, under the di-  
35 rection of the State Board of Forestry, may make direct billing of the budgeted cost to owners of  
36 forestland and receive payment of the cost therefrom. In the event that under such billing proce-  
37 dures any owners fail to make payment, the unpaid budgeted cost shall become a lien against the  
38 property so billed and shall be levied and collected with the next taxes on such property as de-  
39 scribed in paragraph (a) of this subsection.

40 “(c) The budgeted cost of the forester in providing protection for forestland owned by the state  
41 or by a political subdivision shall be paid to the forester on or before the first day of January of the  
42 fiscal year for which such protection is to be provided.

43 “(2) Except as provided in ORS 477.230 [(2)] (4), all moneys received by the forester pursuant  
44 to this section shall be paid into the State Treasury, credited to the State Forestry Department  
45 Account and used exclusively for the purposes of ORS 477.205 to 477.281.



1 “(b) The payment of forest protection district assessments pursuant to ORS 477.205 to 477.281.

2 “(2) As used in this section, ‘obligation of an owner of timberland or grazing land for payment  
3 of assessments and taxes for fire protection of forestland’ does not include the duties or obligations  
4 of the owner under ORS 477.066, 477.068 or 477.120 or the obligations of an owner of land included  
5 in a rural fire protection district pursuant to ORS 478.010.

6 “**SECTION 17.** ORS 477.295 is amended to read:

7 “477.295. (1)(a) For purposes of making the levy and assessment of costs against forestland un-  
8 der ORS 477.270, the minimum cost to provide fire protection or suppression for any lot or parcel  
9 of real property separately assessed for ad valorem taxes or other taxes provided by law in lieu  
10 thereof, on the current assessment roll shall be not less than **\$20, which amount must be paid into**  
11 **the Oregon Forest Land Protection Fund.** [*\$18.75, except as provided in ORS 477.760. Three dol-*  
12 *lars and seventy-five cents of each minimum assessment shall be paid into the Oregon Forest Land*  
13 *Protection Fund. Otherwise,]* Such assessments shall be determined under ORS 477.230 and 477.270.

14 “(b)(A) **Except as provided in subparagraph (B) of this paragraph, the minimum cost es-**  
15 **tablished by paragraph (a) of this subsection shall be adjusted annually for inflation since**  
16 **2025 based on the Consumer Price Index for All Urban Consumers, West Region (All Items),**  
17 **as published by the Bureau of Labor Statistics of the United States Department of Labor.**

18 “(B) **If the annual adjustment under this paragraph results in a minimum cost that is**  
19 **lower than the minimum cost for the previous year, the minimum cost shall remain un-**  
20 **changed from the previous year.**

21 “[*(2) In any fiscal year in which the Emergency Fire Cost Committee determines pursuant to ORS*  
22 *477.760 that the unencumbered balance of the Oregon Forest Land Protection Fund has:]*

23 “[*(a) Increased to an amount:]*

24 “[*(A) More than \$22.5 million but less than or equal to \$30 million, the minimum assessment re-*  
25 *ferred to in subsection (1) of this section shall be \$16.88 for each lot or parcel. Of that amount, \$1.88*  
26 *of each minimum assessment shall be paid into the Oregon Forest Land Protection Fund.]*

27 “[*(B) More than \$30 million, the minimum assessment referred to in subsection (1) of this section*  
28 *shall be \$15 for each lot or parcel. This amount shall be treated in the same manner as assessments*  
29 *under ORS 477.230 and 477.270.]*

30 “[*(b) Decreased to an amount that is at or below \$22.5 million, the minimum assessment referred*  
31 *to in subsection (1) of this section shall be \$18.75 for each lot or parcel. This amount shall be treated*  
32 *in the same manner as assessments under subsection (1) of this section.]*

33 “[*(3)*] (2) Upon application to the [*forester*] **State Forester** under subsection [*(4)*] (3) of this  
34 section, contiguous lots held under identical ownership shall be considered as one combined lot for  
35 purposes of subsection (1) of this section. However, the following may not be included in a combined  
36 lot:

37 “(a) Except as provided in this paragraph, a lot on which a structure has been placed or im-  
38 provements made for the purpose of erecting any temporary or permanent structure. One lot on  
39 which a single-family dwelling has been placed, and lots on which the structures and improvements  
40 that are appurtenant to that single-family dwelling have been placed, may be included in a combined  
41 lot that does not exceed 20 acres.

42 “(b) A lot that is in a subdivision containing lots that have been or are being offered for sale.

43 “(c) A lot that is not designated forest or agricultural land for the purpose of land use or special  
44 tax assessment purposes.

45 “[*(4)*] (3) To qualify under subsection [*(3)*] (2) of this section[,]:



1       “(b) One member who is, or is a representative of, a small forest owner whose forestland  
2 is being assessed for forest fire protection within a forest protection district.

3       “(c) One member who is, or is a representative of, an owner of grazing land, as defined  
4 in ORS 477.205, whose grazing land is being assessed for forest fire protection within a forest  
5 protection district.

6       “(d) One member appointed at large to represent one of the groups identified in para-  
7 graphs (a) through (c) of this subsection.

8       “(5) The board shall appoint at least one member [*shall be selected*] from each forest region  
9 [*of the state*] established under ORS 527.640.

10       “(6) Members shall serve at the pleasure of the board.

11       “[(2)] (7) Members [*of the Emergency Fire Cost Committee*] shall be appointed [*by the board*] for  
12 four-year terms. [*Appointments under this subsection shall be made by the board within 60 days after*  
13 *July 21, 1987.*]

14       “(8) If there is a vacancy for any cause, the board shall make an appointment to become im-  
15 mediately effective for the unexpired term.

16       “**SECTION 19.** (1) The State Board of Forestry shall appoint the first five voting members  
17 of the Emergency Fire Cost Committee described in ORS 477.440 on or before December 31,  
18 2025.

19       “(2) Notwithstanding ORS 477.440 (7), of the voting members of the committee first ap-  
20 pointed by the board:

21       “(a) One shall serve for a term ending one year after the date of appointment.

22       “(b) One shall serve for a term ending two years after the date of appointment.

23       “(c) One shall serve for a term ending three years after the date of appointment.

24       “(d) Two shall serve for a term ending four years after the date of appointment.

25       “(3) The board may appoint to the committee persons serving on the committee on the  
26 effective date of this 2025 Act who qualify under ORS 477.440.

27       “**SECTION 20.** ORS 477.445 is amended to read:

28       “477.445. The Emergency Fire Cost Committee shall:

29       “(1) [*Supervise and control*] **Oversee** the distribution of funds from the Oregon Forest Land  
30 Protection Fund established under ORS 477.750.

31       “(2) **Review expenditures from the fund.**

32       “(3) **Review budgets for forest protection districts and provide recommendations on the**  
33 **budgets to the State Board of Forestry.**

34       “(4) **Prior to the beginning of each fiscal year, distribute payments in their entirety as**  
35 **directed by the fiscal year budgets of forest protection districts to the State Forestry De-**  
36 **partment and forest protection districts.**

37       “**SECTION 21.** ORS 477.450 is amended to read:

38       “477.450. (1) [*After July 1, 1961,*] The Emergency Fire Cost Committee shall meet and elect one  
39 of its members as chairperson. [*The chairperson shall hold office for a period determined by the*  
40 *committee.*]

41       “(2) Whenever the office of chairperson of the committee becomes vacant, the committee at its  
42 next regular or special meeting shall elect one of its members to fill the vacancy.

43       “**SECTION 22.** ORS 477.455 is amended to read:

44       “477.455. (1) Regular meetings of the Emergency Fire Cost Committee shall be held quarterly  
45 [*prior to the day set for meetings of the State Board of Forestry, as otherwise provided by law*].

1 “(2) Special meetings of the committee may be called by its chairperson or by *[three]* a **majority**  
2 **of the voting** members.

3 “(3) The act or decision of *[any three]* a **majority of the voting** members shall be deemed the  
4 act or decision of the committee.

5 “[2] (4) A staff member of the State Forestry Department shall be designated by the State  
6 Forester to serve as administrator for the committee.

7 “(5) **The committee may employ staff members, in coordination with the State Forester.**

8 “**SECTION 23.** ORS 477.460 is amended to read:

9 “477.460. (1) The administrator **described in ORS 477.455** shall:

10 “(a) Act as secretary of the Emergency Fire Cost Committee; and *[shall]*

11 “(b) Carry out the provisions of ORS 477.440 to 477.460 in such manner as the committee shall  
12 direct.

13 “(2) The salary and other expenses of the administrator **and of staff members** shall be paid  
14 from the Oregon Forest Land Protection Fund as are other expenses of the committee.

15 “[2] (3) Members of the committee are entitled to compensation and expenses as provided in  
16 ORS 292.495.

#### 17 “OREGON FOREST LAND PROTECTION FUND

18  
19  
20 “**SECTION 24.** ORS 477.750 is amended to read:

21 “477.750. (1) The Oregon Forest Land Protection Fund is created, separate and distinct from the  
22 General Fund.

23 “(2) *[This fund]* **The Oregon Forest Land Protection Fund** shall be held by the State Treas-  
24 urer as a trust fund for the uses and purposes provided in ORS 477.750 to 477.775 *[and 477.880]*.

25 “(3) The State Treasurer shall deposit and invest moneys in the fund as provided by law, taking  
26 into account its uses and purposes. Interest earned by the fund shall be credited to the fund. **If**  
27 **reimbursements are made for payments from the Oregon Forest Land Protection Fund, such**  
28 **reimbursements shall be credited to the fund.**

29 “[2] (4) Notwithstanding any other law and as limited by ORS 477.750 to 477.775 *[and*  
30 *477.880]*, that part of the suspense account created by ORS 321.145 that is derived from the tax  
31 levied by ORS 321.015 (2) after refunds and other costs permitted by law, shall be credited to the  
32 Oregon Forest Land Protection Fund.

33 “**SECTION 25.** ORS 477.755 is amended to read:

34 “477.755. (1) As used in this section, ‘annual expenditure’ means the expenses of the Oregon  
35 Forest Land Protection Fund obligated in any 12-month period *[designated by the Emergency Fire*  
36 *Cost Committee by rule, corresponding to the policy period of any insurance for emergency fire costs]*,  
37 **consistent with the fiscal year budgeting of the State Forestry Department.**

38 “(2) Notwithstanding ORS 291.238, the moneys in the Oregon Forest Land Protection Fund are  
39 continuously appropriated to the Emergency Fire Cost Committee for the purposes of:

40 “*[(a) Equalizing emergency fire suppression costs for safeguarding forestland in any forest pro-*  
41 *tection district;]*

42 “(a) **Making payments for the fiscal year budgets of forest protection districts, but not**  
43 **for centralized administration costs;**

44 “(b) Paying necessary *[administrative]* expenses, not to exceed the limit authorized by the Leg-  
45 islative Assembly each biennium;

1       “(c) Contributing to the payment of emergency fire suppression costs insurance premiums, subject  
2 to the payment limitation established in ORS 477.775 (4);]

3       “(d) Paying costs related to the availability and mobilization of emergency fire suppression re-  
4 sources on a statewide basis; and]

5       “(e) (c) Paying for nonroutine purchases of supplemental fire prevention, detection or sup-  
6 pression resources that will enhance the ability of the forester to perform fire protection responsi-  
7 bilities within a forest protection district[.]; and

8       **“(d) Issuing loans to the department or forest protection associations that relate to**  
9 **necessary wildfire costs.**

10       “(3) Notwithstanding any other provision of law, the annual expenditure from the Oregon Forest  
11 Land Protection Fund from revenues received from ORS 321.015 (2), 477.277 (1), 477.295 (1) and (2),  
12 477.750 (1) and (2), 477.760 (4) and 477.880 may not exceed the lesser of:]

13       “(a) \$13.5 million; or]

14       “(b) The sum of:]

15       “(A) The lesser of \$10 million or 50 percent of the eligible annual fire suppression costs deter-  
16 mined by the committee;]

17       “(B) Necessary administrative expenses as determined by the committee and authorized under the  
18 limit described in subsection (2)(b) of this section;]

19       “(C) Contributions to the payment of emergency fire suppression costs insurance premiums, subject  
20 to the payment limitation established in ORS 477.775 (4);]

21       “(D) The lesser of \$3 million or three-fifths of the actual cost of activities described in ORS  
22 477.777 (1)(b) and (c); and]

23       “(E) Any amounts expended for nonroutine purchases described in subsection (2)(e) of this  
24 section.]

25       **“SECTION 26.** ORS 477.760 is amended to read:

26       “477.760. [(1) The reserve base of the Oregon Forest Land Protection Fund is \$22.5 million. On  
27 or about the last day of February of each year] The Emergency Fire Cost Committee shall:

28       **“(1) Adopt rules relating to the administration of the Oregon Forest Land Protection**  
29 **Fund.**

30       **“(2) [Meet and] Annually** determine the unencumbered balance of the fund as of **the end of** the  
31 preceding [February 16] **calendar year.**

32       “(2) In order to maintain the reserve base of the fund at \$22.5 million, the Emergency Fire Cost  
33 Committee may request and the State Treasurer may approve transfers to the fund in accordance with  
34 ORS 293.205 to 293.225, if the moneys in this fund fall below the reserve base, whether or not there  
35 are sufficient moneys in the fund to pay the obligations of the fund. Repayment of any such transfers  
36 shall be made from moneys paid into the fund pursuant to ORS 321.015 (2), 477.277 and 477.880 and  
37 from such other moneys as may be credited to the fund therefor.]

38       “(3) If the committee determines that the moneys in the fund exceed:]

39       “(a) The reserve base, and that no repayment obligations are outstanding from transfers made  
40 pursuant to subsection (2) of this section, then the Department of Revenue shall reduce the taxes de-  
41 scribed in ORS 321.015 (2) by 50 percent for the following calendar year and the surcharge for each  
42 improved lot or parcel described in ORS 477.277 and the assessments described in ORS 477.880 shall  
43 be reduced by 50 percent for the following fiscal year.]

44       “(b) \$30 million, and that no repayment obligations are outstanding from transfers made pursuant  
45 to subsection (2) of this section, then the Department of Revenue may not collect the taxes described in

1 *ORS 321.015 (2) for the following calendar year and the surcharge for each improved lot or parcel*  
2 *described in ORS 477.277 and the assessments described in ORS 477.880 may not be collected until the*  
3 *calendar year or fiscal year following the determination of the committee that the unencumbered bal-*  
4 *ance in the fund is less than or equal to \$22.5 million.]*

5 *“(4)(a) Notwithstanding any other provision of law, if the funds referred to in subsection (2) of this*  
6 *section are inadequate to cover repayment of transfers from the State Treasurer or from other sources,*  
7 *the State Forester shall increase the following taxes, assessments and charges in an amount adequate*  
8 *to ensure repayment of the transfers, and any interest accrued thereon, allowing for contingencies in*  
9 *valuation, assessment and collection:]*

10 *“(A) The harvest tax referred to in ORS 321.015 (2).]*

11 *“(B) The surcharge on developed lots referred to in ORS 477.277.]*

12 *“(C) The minimum assessment referred to in ORS 477.295.]*

13 *“(D) The acreage assessments referred to in ORS 477.880 (2).]*

14 *“(b) The increases to taxes, assessments and charges shall be apportioned based upon the*  
15 *proportionate levels of revenues received from each source by the Oregon Forest Land Protection Fund.*  
16 *Any such increases shall be computed on or before January 1 of each year, and shall be based upon*  
17 *revenues received during the previous four quarters. Any such increases shall be made in the appro-*  
18 *priate calendar or fiscal year following that in which the requested transfers from the State Treasurer*  
19 *or from other sources are made.]*

20 **“SECTION 26a.** ORS 477.770 is amended to read:

21 **“477.770. In addition to rules adopted under ORS 477.760,** the Emergency Fire Cost Commit-  
22 **tee shall [promulgate] adopt** rules relating to the disposition of moneys from the Oregon Forest Land  
23 **Protection Fund. [Under such rules the committee may require that prior to the payment of moneys**  
24 **from the fund the forest protection district expend an amount for emergency fire suppression not to**  
25 **exceed a per acre amount determined to be 10 percent of the total budgeted amount of all districts as**  
26 **set forth in ORS 477.220 to 477.415 divided by the total protected acres of all districts. However, any**  
27 **such amount per acre shall apply uniformly to each forest protection district.] The rules may:**

28 **“(1) Set forth a process for reviewing the disbursement of moneys from the fund; and**

29 **“(2) Establish best practices for reviewing forest protection district budgets and emer-**  
30 **gency fire suppression costs.**

31 **“SECTION 26b. The Emergency Fire Cost Committee shall complete any ongoing audits**  
32 **of moneys in the Oregon Forest Land Protection Fund as soon as practicable after the ef-**  
33 **fective date of this 2025 Act.**

34 **“SECTION 27.** ORS 477.775 is amended to read:

35 **“477.775. (1) [Prior to February 1 of each year] At the first regularly scheduled meeting of**  
36 **the Emergency Fire Cost Committee in a calendar year,** the [Emergency Fire Cost Committee]  
37 **committee and the [forester] State Forester** shall consult regarding the purchase of emergency fire  
38 **suppression costs insurance and the level of coverage to purchase for the fire season of that year.**

39 **“(2) In determining whether the purchase of insurance is advisable, the [forester] State Forester**  
40 **and the committee shall consider:**

41 **“(a) The cost, coverage and deductible of insurance available from private insurance carriers;**

42 **“(b) The funding available for fire suppression [from the Oregon Forest Land Protection Fund and**  
43 **other sources];**

44 **“(c) The current condition of forests;**

45 **“(d) Long-term weather predictions;**

1       “(e) Available fire fighting resources; and  
2       “(f) Available funds for the purchase of insurance.  
3       “(3) If [*the committee and the forester agree*] **the State Forester decides** to purchase insurance,  
4 the [*forester*] **State Forester** shall purchase insurance through the Oregon Department of Adminis-  
5 trative Services [*to cover any lawful expense incurred by the State Forestry Department, or contractors*  
6 *or cooperators, that is payable by the Oregon Forest Land Protection Fund*]. The insurance may be  
7 obtained through negotiation or competitive bids, whichever is in the best interest of [*the*] **this**  
8 state[, *its contractors and cooperators*].  
9       “[(4) *The Oregon Forest Land Protection Fund may not be charged for payment of more than*  
10 *one-half of any premium for the insurance.*]  
11       “**SECTION 28.** ORS 477.777 is amended to read:  
12       “477.777. (1) As part of the preparation of the agency request budget submitted to the Oregon  
13 Department of Administrative Services pursuant to ORS 291.208 for the State Forestry Department,  
14 the State Forester shall prepare, in addition to any amounts budgeted for forest protection districts  
15 pursuant to ORS 477.205 to 477.281, a request for a General Fund appropriation for the following  
16 purposes:  
17       “(a) Providing funds for the purchase of emergency fire suppression costs insurance under ORS  
18 477.775.  
19       “(b) Acquiring and placing centrally managed fire suppression resources for statewide use.  
20       “(c) Acquiring fast-mobilizing, short-term contingency resources to be used based on predictions  
21 of severe fire weather, widespread lightning events or serious resource shortage due to a heavy fire  
22 season in this state, in the western region of the United States or nationally.  
23       “(d) Enhancing forest protection district resources in cases where land productivity or other  
24 economic factors seriously limit the ability of the [*forester*] **State Forester** to perform fire pro-  
25 tection responsibilities.  
26       “(e) Mitigating forest patrol assessment rates in cases where land productivity or other eco-  
27 nomic factors seriously limit the ability of the owners of forestlands in the forest protection district  
28 to comply with ORS 477.210 (1).  
29       “(f) **Providing funds for centralized administration costs.**  
30       “(g) **Making deposits into the State Forestry Department Large Wildfire Fund established**  
31 **by section 10 of this 2025 Act to provide funding for costs associated with obligations to the**  
32 **General Fund due to estimated emergency firefighting costs.**  
33       “(h) **Providing amounts to offset the annual costs of fire protection provided by the State**  
34 **Forester for certain forestland under section 41 of this 2025 Act.**  
35       “(2) The State Forester shall utilize critical discretion in the expenditure of the funds provided  
36 to the State Forestry Department pursuant to the separate request required under subsection (1) of  
37 this section.  
38       “(3) The State Forester shall report to the Emergency Board, each year, after the close of the  
39 fire season, on:  
40       “(a) The nature and severity of the fire season;  
41       “(b) The moneys expended on fire suppression, **including moneys expended on resources ac-**  
42 **quired in accordance with subsection (1)(b) and (c) of this section and moneys expended for**  
43 **emergency firefighting costs;**  
44       “(c) The balance remaining from the biennial appropriation; and  
45       “(d) Any matters arising out of the fire season that may require attention or warrant future

1 consideration by the board or the Legislative Assembly.

2 “(4) When reporting the nature and severity of the fire season under subsection (3) of this sec-  
3 tion, for each fire consuming 1,000 or more acres, the State Forester shall provide information re-  
4 garding *[the resulting losses on private lands of timber, buildings, fencing and livestock and of grazing*  
5 *land capacity if the land is expected to be unavailable for two or more grazing seasons.]*:

6 “(a) **The number of buildings that were damaged or destroyed by fire during the fire**  
7 **season.**

8 “(b) **The number of acres of forestland that were burned during the fire season and an**  
9 **estimate of the economic value of the effects on the forestland.**

10 “(c) **The number of acres of grazing land that were burned during the fire season and**  
11 **an estimate of the economic value of the effects on the grazing land.**

12 “(d) **Any other information the State Forester deems relevant.**

13 “**SECTION 29.** ORS 291.055 is amended to read:

14 “291.055. (1) Notwithstanding any other law that grants to a state agency the authority to es-  
15 tablish fees, all new state agency fees or fee increases adopted during the period beginning on the  
16 date of adjournment sine die of a regular session of the Legislative Assembly and ending on the date  
17 of adjournment sine die of the next regular session of the Legislative Assembly:

18 “(a) Are not effective for agencies in the executive department of government unless approved  
19 in writing by the Director of the Oregon Department of Administrative Services;

20 “(b) Are not effective for agencies in the judicial department of government unless approved in  
21 writing by the Chief Justice of the Supreme Court;

22 “(c) Are not effective for agencies in the legislative department of government unless approved  
23 in writing by the President of the Senate and the Speaker of the House of Representatives;

24 “(d) Shall be reported by the state agency to the Oregon Department of Administrative Services  
25 within 10 days of their adoption; and

26 “(e) Are rescinded on adjournment sine die of the next regular session of the Legislative As-  
27 sembly as described in this subsection, unless otherwise authorized by enabling legislation setting  
28 forth the approved fees.

29 “(2) This section does not apply to:

30 “(a) Any tuition or fees charged by a public university listed in ORS 352.002.

31 “(b) Taxes or other payments made or collected from employers for unemployment insurance  
32 required by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or con-  
33 tributions and assessments calculated by cents per hour for workers’ compensation coverage re-  
34 quired by ORS 656.506.

35 “(c) Fees or payments required for:

36 “(A) Health care services provided by the Oregon Health and Science University, by the Oregon  
37 Veterans’ Homes pursuant to ORS 408.362 and 408.365 to 408.385 and by other state agencies and  
38 institutions pursuant to ORS 179.610 to 179.770.

39 “(B) Copayments and premiums paid to the Oregon medical assistance program.

40 “(C) Assessments paid to the Department of Consumer and Business Services under sections 3  
41 and 5, chapter 538, Oregon Laws 2017.

42 “(d) Fees created or authorized by statute that have no established rate or amount but are cal-  
43 culated for each separate instance for each fee payer and are based on actual cost of services pro-  
44 vided.

45 “(e) State agency charges on employees for benefits and services.

- 1 “(f) Any intergovernmental charges.
- 2 “(g) Forest protection district assessment rates established by ORS 477.210 to 477.265 [*and the*
- 3 *Oregon Forest Land Protection Fund fees established by ORS 477.760*].
- 4 “(h) State Department of Energy assessments required by ORS 456.595 and 469.421 (8).
- 5 “(i) Assessments on premiums charged by the Director of the Department of Consumer and
- 6 Business Services pursuant to ORS 731.804 or fees charged by the director to banks, trusts and
- 7 credit unions pursuant to ORS 706.530 and 723.114.
- 8 “(j) Public Utility Commission operating assessments required by ORS 756.310 or charges paid
- 9 to the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987.
- 10 “(k) Fees charged by the Housing and Community Services Department for intellectual property
- 11 pursuant to ORS 456.562.
- 12 “(L) New or increased fees that are anticipated in the legislative budgeting process for an
- 13 agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted
- 14 budget or the legislatively approved budget for the agency.
- 15 “(m) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004.
- 16 “(n) Portal provider fees as defined in ORS 276A.270 and established by the State Chief Infor-
- 17 mation Officer under ORS 276A.276 (3) and recommended by the Electronic Government Portal Ad-
- 18 visory Board.
- 19 “(o) Fees set by the State Parks and Recreation Director and approved by the State Parks and
- 20 Recreation Commission under ORS 390.124 (2)(b).
- 21 “(3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unex-
- 22 pected and temporary revenue surpluses may be increased to not more than their prior level without
- 23 compliance with subsection (1) of this section if, at the time the fee is decreased, the state agency
- 24 specifies the following:
- 25 “(A) The reason for the fee decrease; and
- 26 “(B) The conditions under which the fee will be increased to not more than its prior level.
- 27 “(b) Fees that are decreased for reasons other than those described in paragraph (a) of this
- 28 subsection may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and
- 29 294.160.

30

31 “ACREAGE ASSESSMENT

32

33 “**SECTION 30. ORS 477.880, 477.960 and 477.970 are repealed.**

34

35 “ZONING OF CERTAIN LANDS

36

37 “**SECTION 31. ORS 476.310, 476.320, 476.330 and 476.340 are repealed.**

38 “**SECTION 32. Lands that are classified under ORS 476.310 as zone 1 lands immediately**

39 **prior to the effective date of this 2025 Act are classified as Class 3 lands, as defined in ORS**

40 **526.324, unless and until reclassified.**

41 “**SECTION 33. ORS 242.702 is amended to read:**

42 “242.702. As used in ORS 242.702 to 242.824, unless the context requires otherwise:

43 “(1) ‘Appointing power’ includes every person or group of persons who, acting singly or as a

44 board, council or commission, are vested with authority to select, appoint or employ any person to

45 hold any position subject to civil service under ORS 242.702 to 242.824.

1 “(2) ‘Appointment’ includes all means of selecting or employing any person to hold any position  
2 subject to civil service under ORS 242.702 to 242.824.

3 “(3) ‘Civil service’ means the civil service system established under ORS 242.702 to 242.824.

4 “(4) ‘Commission’ means a civil service commission created under ORS 242.702 to 242.824.

5 “(5) ‘Commissioner’ means a member of the civil service commission created under ORS 242.702  
6 to 242.824.

7 “(6) ‘Employees’ means persons whose principal duties consist of preventing or combating fire  
8 or preventing the loss of life or property from fire.

9 “(7) ‘Fire department’ means any organization maintained by any political subdivision for the  
10 purpose of preventing or combating fire.

11 “(8) ‘Governing body’ means the council or city commissioners of a city, the county court or  
12 board of county commissioners of a county, the board of directors of a rural fire protection  
13 district[,] **and** the board of commissioners of a domestic water supply corporation [*and the county  
14 court or board of county commissioners acting under ORS 476.310 to 476.340 for the purposes of pre-  
15 venting and controlling fire on zone 2 rural lands*].

16 “(9) ‘Political subdivision’ means any city, county, municipal corporation, rural fire protection  
17 district[,] **or** domestic water supply corporation [*or organization authorized under ORS 476.310 to  
18 476.340 to combat fire on zone 2 rural lands which employs four or more full-time firefighters, not in-  
19 cluding the chief of the fire department*].

20 “(10) ‘Position’ includes any office, place or employment.

## 21 “RURAL FIRE PROTECTION DISTRICTS

22  
23  
24 “**SECTION 34.** ORS 478.010 is amended to read:

25 “478.010. (1) A rural fire protection district may be formed in the manner set forth in ORS  
26 478.010 to 478.100.

27 “(2) A district may not include:

28 “[*(a) Territory within a city unless otherwise authorized by law.*]

29 “[*(b) (a) Territory within a water supply district organized under ORS chapter 264 if the dis-  
30 trict has previously been authorized by its electors to exercise the fire protection powers prescribed  
31 by ORS 264.340.*]

32 “[*(c) (b) [Forestlands] Forestland* included within a forest protection district under ORS 477.205  
33 to 477.281 unless the owner consents and notifies the rural fire protection district[, *however,  
34 forestland protected pursuant to ORS 477.205 to 477.281 and not exceeding five acres in one ownership  
35 shall be included in the rural fire protection district without the owner’s consent if the ownership in-  
36 cludes any structures subject to damage by fire*], **except as provided in subsection (3) of this sec-  
37 tion.** [*Forestland included in a rural fire protection district under this subsection subjects the  
38 forestland to assessments for fire protection by the rural fire protection district and the forest protection  
39 district.*]

40 “[*(d) (c) Railroad rights of way or improvements thereon or rolling stock moving thereover  
41 unless the owner of such property consents.*]

42 “[*(e) (d) Ocean shores as defined by ORS 390.605.*]

43 “**(3)(a) Notwithstanding subsection (2)(b) of this section, forestland protected pursuant  
44 to ORS 477.205 to 477.281 that is within the exterior boundaries of an existing rural fire  
45 protection district shall be included in the rural fire protection district without the owner’s**

1 consent.

2 “(b) Forestland described in paragraph (a) of this subsection is subject to limitations on  
3 assessment as described in section 36 of this 2025 Act.

4 “(4) Forestland protected pursuant to ORS 477.205 to 477.281 that is included in a rural  
5 fire protection district is subject to assessments for fire protection by the rural fire pro-  
6 tection district and the forest protection district.

7 “SECTION 35. The amendments to ORS 478.010 by section 34 of this 2025 Act apply to all  
8 rural fire protection districts, whether formed before, on or after the effective date of this  
9 2025 Act. Forestland described in ORS 478.010 (3)(a), as amended by section 34 of this 2025  
10 Act, is made part of a rural fire protection district without the district’s taking any action  
11 to include such forestland.

12 “SECTION 36. (1) As used in this section, ‘qualified forestland’ means forestland that is:

13 “(a) Included in a rural fire protection district under ORS 478.010 (3); and

14 “(b) Outside the limits of a city.

15 “(2) If a structure exists, in whole or in part, on qualified forestland, the property subject  
16 to taxation by a rural fire protection district shall include the value of any structures subject  
17 to taxation and may not exceed 10 acres in any one ownership.

18 “(3) If a structure does not exist on qualified forestland, the property subject to taxation  
19 by a rural fire protection district is limited to individual lots or parcels not exceeding 10  
20 acres in size.

21 “SECTION 37. ORS 478.120 is amended to read:

22 “478.120. The authority to include forestland within a rural fire protection district pursuant to  
23 ORS 478.010 [(2)(c)] (2)(b) applies to forestland within the exterior boundaries of an existing district  
24 [and to forestland on which structures subject to damage by fire have been added after July 20,  
25 1973].

26 “SECTION 38. ORS 478.140 is amended to read:

27 “478.140. Any owner consenting to add the forestland of the owner to the district under ORS  
28 478.010 [(2)(c)] (2)(b) shall do so on forms supplied by the Department of Revenue. The owner shall  
29 file the original with the district. The district shall forward a copy to the assessor of each county  
30 in which the land is located, within 20 days of receipt.

31 “NOTE: Section 39 was deleted by amendment. Subsequent sections were not renumbered.

32  
33 “TREASURY LOANS

34  
35 “SECTION 40. (1) As used in this section:

36 “(a) ‘Biennium’ means a two-year period beginning on July 1 of an odd-numbered year.

37 “(b) ‘Borrowing agency’ means the State Forestry Department or the Department of the  
38 State Fire Marshal.

39 “(c) ‘Borrowing fund’ has the meaning given that term in ORS 293.205.

40 “(d) ‘Lending fund’ has the meaning given that term in ORS 293.205.

41 “(e) ‘Repayment amounts’ means amounts transferred under subsection (2) of this sec-  
42 tion, plus any interest or borrowing costs.

43 “(2)(a) Notwithstanding the provisions of ORS 293.210 that limit when the State Treas-  
44 urer may transfer moneys between funds of the State Treasury, the State Treasurer shall,  
45 at the written request of a borrowing agency, and subject to paragraph (b) of this subsection,

1 transfer moneys under ORS 293.205 to 293.225 to a fund or funds under the administration  
2 of the borrowing agency for the purpose of enabling the agency to pay for noncapital wildfire  
3 suppression costs.

4 “(b) Before a transfer is made under this subsection, the State Treasurer and the bor-  
5 rowing agency shall report to the Emergency Board:

6 “(A) The amount requested to be transferred;

7 “(B) The amount of wildfire suppression costs above the borrowing agency’s available  
8 resources; and

9 “(C) The balance of moneys projected to be available to repay the amount advanced.

10 “(3) If the State Treasurer transfers moneys under subsection (2) of this section, the  
11 borrowing agency, no later than the second May 15 of the biennium in which the transfer is  
12 made, and in collaboration with the Oregon Department of Administrative Services, shall  
13 certify to the State Treasurer whether the balance of moneys available to the borrowing  
14 agency as of the second June 15 of the same biennium will be sufficient to repay the repay-  
15 ment amounts.

16 “(4) If the borrowing agency certifies that the balance of moneys is insufficient to repay  
17 the repayment amounts:

18 “(a) The borrowing agency shall, as soon as practicable, transfer all moneys available for  
19 repayment to the State Treasurer, to be credited to the lending fund; and

20 “(b) There is appropriated to the borrowing agency, for the biennium in which the  
21 transfer was made, out of the General Fund, an amount equal to the difference between the  
22 repayment amounts and the amounts transferred under paragraph (a) of this subsection, for  
23 deposit in the borrowing fund for the purpose of repaying the repayment amounts.

24  
25 **“FIRE PROTECTION COST OFFSET**

26  
27 **“SECTION 41.** (1) In each biennium, the State Forestry Department shall apply an offset  
28 against the annual costs of fire protection provided by the department for forestland that is:

29 “(a) Classified as Class 3 under ORS 526.324; and

30 “(b) Located within a forest protection district.

31 “(2) The department shall apply the offset equally to each acre of forestland subject to  
32 the offset.

33 **“NOTE:** Section 42 was deleted by amendment. Subsequent sections were not renumbered.

34  
35 **“CASH FLOW REPAYMENT FUND**

36  
37 **“SECTION 43.** ORS 526.122 is amended to read:

38 “526.122. (1) The State Forestry Department Cash Flow Repayment Fund is established in the  
39 State Treasury, separate and distinct from the General Fund. The State Forestry Department Cash  
40 Flow Repayment Fund consists of moneys deposited in the fund by the State Forestry Department  
41 pursuant to subsection (2) of this section. Moneys in the fund are continuously appropriated to the  
42 department for the purposes set forth in subsection (3) of this section.

43 “(2)(a) When the State Forestry Department determines that moneys are available to the de-  
44 partment in an amount greater than necessary to satisfy the current cash flow needs of the depart-  
45 ment, the department shall deposit excess amounts in the State Forestry Department Cash Flow

1 Repayment Fund, except as provided in paragraph (b) of this subsection.

2 “(b) The department is not required to deposit moneys in the fund if the balance of the fund is  
3 equal to or greater than the outstanding balance of moneys appropriated, allocated or otherwise  
4 made available to the department specifically for cash flow purposes.

5 “(c) The moneys deposited in the fund under this subsection shall not be considered as a budget  
6 item on which a limitation is otherwise fixed by law, but shall be in addition to any specific biennial  
7 appropriations or amounts authorized to be expended from continuously appropriated moneys for any  
8 biennial period.

9 “[*3*] *On July 1 of each odd-numbered year, the department shall cause the balance of the fund to*  
10 *be transferred to the General Fund for general governmental purposes.*]

11 “**SECTION 44. ORS 526.123 is repealed.**

12  
13 **“WILDFIRE PREPARED STRUCTURE PROGRAM**

14  
15 **“SECTION 45. (1) In collaboration with the Department of Consumer and Business Ser-**  
16 **vices, the Department of the State Fire Marshal shall establish and implement a grant pro-**  
17 **gram called the Wildfire Prepared Structure Program to facilitate the retrofitting of**  
18 **dwellings existing on the effective date of this 2025 Act, as well as dwellings constructed**  
19 **following wildfire damage, to be resistant and resilient to wildfire.**

20 **“(2) To implement the program, the Department of the State Fire Marshal shall:**

21 **“(a) Publish a list of eligible retrofits and materials that reduce the vulnerability of**  
22 **structures to wildfire and flying embers, as identified in section R327 of the Oregon Resi-**  
23 **dential Specialty Code or other relevant industry best practices and standards.**

24 **“(b) Consider the relative cost-effectiveness of the retrofits and materials.**

25 **“(c) Award individual grants to persons and block grants to counties for the counties to**  
26 **award as individual grants to persons.**

27 **“(d) Establish ranking and criteria for awarding individual grants that include a prefer-**  
28 **ence for projects that:**

29 **“(A) Benefit persons who live in the wildland-urban interface, as defined pursuant to ORS**  
30 **477.015 and 477.027.**

31 **“(B) Benefit persons who implement defensible space requirements described in ORS**  
32 **476.392.**

33 **“(C) Benefit persons in socially vulnerable communities.**

34 **“(D) Benefit low-income persons who have demonstrated financial need.**

35 **“(E) Benefit persons whose homes have been destroyed or significantly damaged by a**  
36 **wildfire for which authority has been exercised under the Emergency Conflagration Act set**  
37 **out in ORS 476.510 to 476.610.**

38 **“(e) Establish formats by which persons who receive individual grants and counties that**  
39 **receive block grants must report to the State Fire Marshal.**

40 **“(3) A person who receives an individual grant shall:**

41 **“(a) Complete the grant project on a timeline approved when the individual grant is**  
42 **awarded.**

43 **“(b) Report to the State Fire Marshal in a format designated pursuant to subsection**  
44 **(2)(e) of this section.**

45 **“(4) A county that receives a block grant shall report to the State Fire Marshal in a**

1 format designated pursuant to subsection (2)(e) of this section.

2 “(5) The department, and counties that receive block grants, shall accept applications for  
3 individual grants:

4 “(a) At least once per year, for dwellings existing on the effective date of this 2025 Act,  
5 on a date or dates determined by the department.

6 “(b) As needed, for dwellings constructed following wildfire damage.

7 “(6) The department may adopt rules as needed to implement this section, in consultation  
8 with other agencies, local governments, nongovernmental organizations and the Wildfire  
9 Programs Advisory Council.

10  
11 “CAPTIONS

12  
13 “SECTION 46. The unit captions used in this 2025 Act are provided only for the conven-  
14 ience of the reader and do not become part of the statutory law of this state or express any  
15 legislative intent in the enactment of this 2025 Act.

16  
17 “EFFECTIVE DATE

18  
19 “SECTION 47. This 2025 Act takes effect on the 91st day after the date on which the 2025  
20 regular session of the Eighty-third Legislative Assembly adjourns sine die.”.