

Enrolled Senate Bill 85

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CHAPTER

AN ACT

Relating to wildfire risk reduction; and declaring an emergency.

Whereas the state has a substantial public policy interest in addressing wildfire risks and mitigation of those risks in communities throughout the state; and

Whereas wildfires are becoming more frequent, growing in intensity and destruction, often overwhelming response capabilities and triggering large-scale conflagrations that destroy communities, ecosystems and critical infrastructure; and

Whereas the state, local communities, nongovernmental organizations and property owners have invested, and will continue to invest, significantly in measures to mitigate wildfire risk to reduce the catastrophic nature of wildfire across our landscapes and built infrastructure; and

Whereas the state continues to take a proactive approach to addressing affordability and availability challenges in insurance markets, especially in wildfire-prone areas of this state, including examining best practices and policies that help reduce wildfire risk for homeowners and communities; and

Whereas the state believes that the investments and activities undertaken by the state, local communities and property owners should be recognized to the maximum extent possible in the underwriting and ratings decisions of insurance companies; and

Whereas the state must continue to partner with all relevant stakeholders, including insurance companies and research and academic institutions, to research wildfire risk mitigation and the connection of wildfire risk mitigation to insurance underwriting and rating decisions; and

Whereas the threat of wildfire requires an immediate, coordinated response to protect lives, public health, natural resources and the stability of communities; now, therefore,

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

SECTION 1. (1) The Department of Consumer and Business Services and the Department of the State Fire Marshal, in consultation with the State Forestry Department and representatives of the insurance industry, shall evaluate and develop recommendations for community-based wildfire risk mitigation actions, programs and strategies that could have positive impacts on reducing wildfire risks and increasing insurance affordability and availability in this state.

(2) The actions, programs and strategies described in this section include, but are not limited to:

(a) Property-level actions, programs and strategies, including establishing defensible space, hardening a building or receiving certification from the Insurance Institute for Business and Home Safety or a similar entity; and

(b) Community-level actions, programs and strategies, with an emphasis on encouraging collaborative activities among residents of cohesive neighborhoods, including community risk-reduction programs offered by the Department of the State Fire Marshal, the Institute for Business and Home Safety or a similar entity.

SECTION 2. (1) The Department of Consumer and Business Services and the Department of the State Fire Marshal shall jointly submit a report on the evaluation and recommendations under section 1 of this 2025 Act, in the manner provided by ORS 192.245, to the interim committees of the Legislative Assembly related to wildfire no later than February 2, 2026. The report must include:

(a) Recommendations for legislative changes, if any, to positively impact the availability and affordability of homeowners insurance in this state.

(b) A discussion of the discounts or incentives that the insurance industry could provide to consumers in this state who complete actions, programs or strategies described in section 1 of this 2025 Act.

(c) Information from homeowner insurers regarding the ways in which insurers treat wildfire risk mitigation actions, as defined in ORS 742.277, in making underwriting and rate decisions. The information must include, but is not limited to:

(A) A list of wildfire risk mitigation actions that, taken together, could have a significant impact on underwriting or rating decisions for each insurer;

(B) A description of the circumstances under which each wildfire risk mitigation action would have a significant impact on underwriting or rating decisions;

(C) A discussion of trends and variability among insurers regarding treatment of wildfire risk mitigation actions in making underwriting and rating decisions; and

(D) A summary of best practices among insurers who recognize wildfire mitigation risk actions in making underwriting and rating decisions.

(2) The Department of Consumer and Business Services and the Department of the State Fire Marshal shall also submit the report to the State Wildfire Programs Director and the Wildfire Programs Advisory Council.

(3) All records, documents, work papers, recorded information or copies thereof, that are produced or obtained by, or disclosed to, the Department of Consumer and Business Services under subsection (1)(c) of this section:

(a) Are provided to the Director of the Department of Consumer and Business Services in the course of analysis by the director of the financial condition or market conduct of an insurer under ORS 731.312 (6); and

(b) Are confidential, privileged and exempt from public disclosure under ORS 705.137.

SECTION 3. Sections 1 and 2 of this 2025 Act are repealed on January 2, 2027.

SECTION 4. This 2025 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect on its passage.

Passed by Senate April 16, 2025

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Obadiah Rutledge, Secretary of Senate

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Rob Wagner, President of Senate

Passed by House May 20, 2025

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Julie Fahey, Speaker of House

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

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Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

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Tobias Read, Secretary of State