# A-Engrossed
# Senate Bill 85

Ordered by the Senate April 14
Including Senate Amendments dated April 14

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Natural Resources and Wildfire)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

**Digest: The Act tells certain state agencies, in consult with the insurance sector, to study and suggest ways to reduce wildfire risks. The Act tells the agencies to report on these topics to the legislature by a stated date. (Flesch Readability Score: 60.6).**

[*Digest: The Act directs the State Fire Marshal to create a grant program to help property owners with wildfire resilience. The Act creates a fund related to the grant program. The Act directs the State Fire Marshal to report on the grant program. The Act directs agencies to plan for a program for certifying reduced wildfire risk for insurance purposes. The Act gives moneys to the State Fire Marshal for the grant program. The Act goes into effect when the Governor signs it. (Flesch Readability Score: 71.9).*]

[*Directs the State Fire Marshal to establish a neighborhood protection cooperative grant program.*]

[*Establishes the Neighborhood Protection Cooperative Grant Program Fund.*]

[*Directs the Department of the State Fire Marshal to include status reports on the program in certain biannual reports.*]

[*Directs the Department of Consumer and Business Services, the Department of the State Fire Marshal and the State Forestry Department to develop a plan and implementation timeline for establishing an insurance-related risk reduction certification program and report on the program on or before December 1, 2026.*]

[*Appropriates moneys to the State Fire Marshal, out of the General Fund, for implementing the neighborhood protection cooperative grant program.*]

**Directs the Department of Consumer and Business Services and the Department of the State Fire Marshal, in consultation with the State Forestry Department and the insurance industry, to evaluate and develop recommendations for community-based wildfire risk mitigation to reduce wildfire risks and increase insurance affordability and availability. Directs that a report be prepared and submitted to the Legislative Assembly on or before February 2, 2026, containing recommendations and other specified information.**

Declares an emergency, effective on passage.

## A BILL FOR 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

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

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.**