

A-Engrossed Senate Bill 926

Ordered by the Senate April 18
Including Senate Amendments dated April 18

Sponsored by Senator SMITH DB

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: Bans the recoupment of certain costs that a power company incurs from claims based on a wildfire. (Flesch Readability Score: 65.1).

Prohibits the recovery from customers of certain costs and expenses that an electric company incurs *[as a result of allegations of a wildfire resulting]* **if a court or jury finds that a wildfire resulted from the negligence or a higher degree of fault on the part of the electric company.**

Prohibits an electric company from paying or distributing dividends, income, interest or profits or paying, distributing or repurchasing stock or other ownership interest to any person or individual with an ownership or beneficial interest in the electric company if the electric company owes any debt on an outstanding judgment that is based on a finding by a court or jury that a wildfire resulted from the negligence or a higher degree of fault on the part of the electric company.

Sets the rate of interest on the judgment at nine percent per annum to accrue from the date the wildfire was ignited if a plaintiff establishes that a wildfire resulted from the negligence or a higher degree of fault on the part of the electric company.

Provides that an electric company is liable for all taxes that may be owed by a prevailing party on a judgment that the electric company has not satisfied by January 1, 2026, for a judgment that is based on a finding by a court or jury that a wildfire resulted from the negligence or a higher degree of fault on the part of the electric company.

A BILL FOR AN ACT

Relating to wildfires resulting from the fault of an electric company.

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

SECTION 1. Sections 2 and 3 of this 2025 Act are added to and made a part of ORS chapter 757.

SECTION 2. (1) As used in this section:

(a) "Electric company" means an electric company, as defined in ORS 757.600, that services electricity to more than 25,000 retail electricity consumers located in this state.

(b) "Retail electricity consumer" has the meaning given that term in ORS 757.600.

(2) If a court or jury finds that a wildfire resulted from the negligence or a higher degree of fault on the part of an electric company, the electric company may not recover from retail electricity consumers the following costs and expenses:

(a) Costs and expenses that are, or are associated with, a civil judgment, civil fine or penalty or criminal fine or penalty that results from or is based on the finding that the wildfire resulted from the negligence or a higher degree of fault on the part of the electric company.

(b) Costs and expenses that are, or are associated with, a settlement that is based on:

(A) The underlying allegations that there are losses, expenses or damages caused by the wildfire that resulted from the negligence or a higher degree of fault on the part of the

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.

electric company; or

(B) The finding that the wildfire resulted from the negligence or a higher degree of fault on the part of the electric company.

(c) Litigation costs and expenses of, or associated with, the civil or criminal action in which the court or jury finds that the wildfire resulted from the negligence or a higher degree of fault on the part of the electric company.

(d) Costs and expenses of, or associated with, repairing or replacing the electric company's real or personal property that was damaged or destroyed in the wildfire that the court or jury finds resulted from the negligence or a higher degree of fault on the part of the electric company.

SECTION 3. (1) As used in this section, "electric company" means an electric company, as defined in ORS 757.600, that services electricity to more than 25,000 retail electricity consumers, as defined in ORS 757.600, located in this state.

(2) If an electric company owes any debt on an outstanding judgment that is based on a finding by a court or jury that a wildfire resulted from the negligence or a higher degree of fault on the part of the electric company, the electric company may not:

(a) Pay or distribute dividends, income, interest or profits of the electric company, or affiliate or subsidiary of the electric company, to any person or individual with an ownership or beneficial interest in the electric company; or

(b) Pay, distribute or repurchase stock or other ownership interest in the electric company, or affiliate or subsidiary of the electric company, to any person or individual with an ownership or beneficial interest in the electric company.

SECTION 4. In a civil action arising out of allegations that the conduct of an electric company, as defined in section 3 of this 2025 Act, caused or substantially contributed to a wildfire, if the plaintiff establishes that the wildfire resulted from the negligence or a higher degree of fault on the part of the electric company:

(1) The rate of interest on the judgment shall be nine percent per annum and accrue from the date the wildfire was ignited; and

(2) Damages awarded to the plaintiff may not be offset by any money received from any other source by the plaintiff.

SECTION 5. Sections 2 to 4 of this 2025 Act apply to wildfires that are ignited on or after January 1, 2020.

SECTION 6. (1) As used in this section, "electric company" means an electric company, as defined in ORS 757.600, that services electricity to more than 25,000 retail electricity consumers, as defined in ORS 757.600, located in this state.

(2) If an electric company owes any debt on an outstanding judgment that is based on a finding by a court or jury that a wildfire resulted from the negligence or a higher degree of fault on the part of the electric company and the electric company has not satisfied the judgment by January 1, 2026, the electric company shall be liable for all taxes that may be owed by the prevailing party on the judgment at the time the electric company satisfies the judgment.

SECTION 7. Section 6 of this 2025 Act applies to a judgment that has been issued between January 1, 2020, and January 1, 2025.