

PROTECTING OREGONIANS

EQUITABLE FUNDING FOR FIRE DISTRICTS

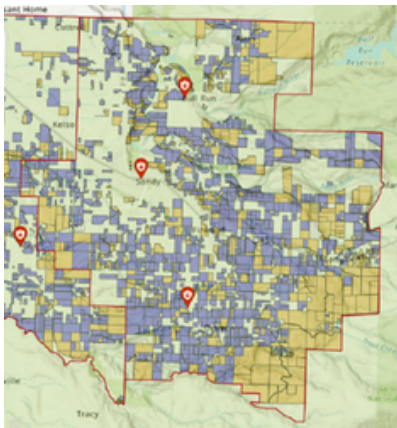
The Funding Gap for Rural Fire Protection Districts

Oregon's local fire service agencies play a critical role in keeping communities safe. About 13,000 career and volunteer firefighters provide fire, medical, and rescue services 24/7 across the state. These services are provided by city fire departments, rural fire protection districts (RFPDs), water districts, subscription-based fire agencies, Oregon tribes, and others.

However, RFPDs face a unique funding challenge: they are restricted from collecting taxes on properties classified as forestland. This outdated rule does not align with the reality of service demands. Even though people live, work, and recreate on these lands—and rely on RFPDs for emergency response—these properties do not pay their fair share for fire protection.



When does forestland classification affect RFPDs?

- Across the state, portions of ODF boundaries and RFPD boundaries overlap
- Within its boundaries, ODF classifies lands as forestland for purposes of determining its fire protection requirements. ODF assesses fees on improved or unimproved lands and on structures
- When these classified lands are in an RFPD, ORS 478.010(2)(c) restricts RFPD property tax revenue on the classified lands as it would otherwise collect:
 - in overlapping territory on non-classified lands, or
 - on lands that would meet ODF's forestland definition but are outside Oregon Department of Forestry territory
- For classified lands, RFPDs:
 - are unable to assess all lands even within city boundaries
 - can assess only five acres and structures on improved lots
 - cannot assess any unimproved parcel even small lots in subdivisions



Sandy Fire Dist. #72 (enclosed red boundary) is in ODF territory.

It collects:

-  - nothing
-  - structure and 5 acres

Uncolored parcels – regular property tax (these are not classified as forestland)

The Challenge: Unfunded Service Demands

- Firefighters respond to all calls regardless of tax status. When someone dials 911, emergency responders arrive, regardless of whether the property contributes to fire service funding.
- Emergencies happen beyond homes and structures. Fires, rescues, and medical calls occur on forestland, vacant lots, and other areas not paying RFPD taxes.
- Forestland classification is outdated. Some classified lots exist in urbanized areas surrounded by taxed properties yet remain exempt from paying for fire services.
- Small budgets, big responsibilities. Half of Oregon's RFPDs operate on less than \$500,000 per year, limiting their ability to staff and equip firefighters.
- Wildfire and environmental risks are growing. Fires don't just threaten property—they impact small timber operators, water sources, and ecosystems for years.



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Why Funding RFPDs Matters

- Better funding means better emergency response. RFPDs need sustainable funding to provide fire, EMS, hazmat, and rescue services around the clock.
- Regional and statewide incidents require local resources. RFPDs play a role in large-scale wildfire and disaster response, but their funding doesn't reflect these responsibilities.
- Insurance rates depend on fire protection. Many insurance companies use fire district ratings to set premiums—better-funded RFPDs can help keep costs down.



The Bottom Line

Oregon's rural fire districts provide essential services, but outdated tax restrictions leave them underfunded. It's time to align funding with service demands, ensuring RFPDs can protect lives, property, and natural resources—today and into the future.

Solutions

Based on the challenges facing Oregon, ORS 478.010(2)(c) needs to be modified. Recognizing the need for a workable solution, the RFPD proposal is narrowly structured and modest. It is equitable and provides appropriate and needed revenue. This has no General Fund impact. Fire agencies would simply be able to levy property tax on:

- all lands within city limits
- lands outside of city limits: small unimproved lots (up to 10 acres), and an additional five acres of improved lots with structures

This solution will help RFPDs serve Oregonians and protect Oregonian's health, vitality, and security. RFPDs are one of the backbones of the state's complete and coordinated system, uniquely providing a broad range of fire and life safety services within the overlapping territory and wherever they are called to respond. This solution can and must happen in 2025.

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Why Unimproved Lands?

Unimproved lands are the majority of ODF lands and are frequently interspersed in RFPDs. Being closer to larger populations, unimproved lands within RFPDs are more likely to have human activity.

Public services generally levy property taxes because a property is within a boundary. Public services require sufficient and consistent funding regardless of any individual property's use of those services.