

Testimony in Support of House Bill 3940

83rd Oregon Legislative Assembly – 2025 Regular Session Submitted by: Deborah Miley, Executive Director, National Wildfire Suppression Association Date: 4/23/2025 To: Chair and Members of the House Committee on Revenue

Chair Nathanson, Vice Chair, and Members of the Committee:

I'm writing on behalf of the National Wildfire Suppression Association in support of House Bill 3940, a comprehensive measure designed to fund and modernize Oregon's wildfire prevention, mitigation, and suppression systems.

We are at a tipping point. The intensity and frequency of wildfires in Oregon are increasing due to prolonged drought, climate change, and the growing wildland-urban interface. Communities, ecosystems, and public safety agencies need stable, proactive funding, not just emergency aid once fires ignite. HB 3940 takes a bold and necessary step to address this.

Stable, Long-Term Wildfire Funding

HB 3940 creates a dedicated State Forestry Department Large Wildfire Fund, ensuring resources are available when—and not just after—catastrophic fires strike. This reduces reliance on ad hoc borrowing and delayed reimbursements.

The National Wildfire Suppression Association represents over 200 member companies in Oregon that provide fire resources, including crews, water handling, and other specialized equipment, to assist the Oregon Department of Forestry with fire response, fuel mitigation, and fire rehab. As many of our member companies provide resources to assist with response, we have a vested interest in assuring money is available for their services. Our members had outstanding bills for many months from the last fire season, which created hardship on their small businesses.

Use of Existing State Revenue Streams

The bill leverages:

Insurance retaliatory tax revenue, recognizing insurers' role in addressing property risk.
A 0.5% transfer of General Fund appropriations per biennium, a modest but crucial investment.

- A one-time transfer from the Oregon Rainy Day Fund, jumpstarting our wildfire readiness

without creating long-term fiscal drag.

These mechanisms reduce the need for new taxes while redirecting existing funds to address one of Oregon's most urgent natural threats.

Forest Products Harvest Tax Modernization

By updating the forest products privilege tax to reflect current needs and indexing it to inflation, HB 3940 ensures that those benefiting from Oregon's forest resources also help fund responsible land stewardship and wildfire mitigation.

Assessment and Surcharge Updates

HB 3940 updates outdated minimum assessments and surcharges tied to improved lots. These modest increases help reflect the cost of fire protection and provide equity across landowners, particularly in fire-prone areas.

Importantly, exemptions and combination lot rules are preserved for landowners with contiguous holdings, ensuring fairness and administrative efficiency.

Why This Bill Matters Now

Oregonians are paying the price of delayed action—in smoke-choked summers, massive suppression costs, forest loss, and displacement. HB 3940 moves the conversation upstream. It anticipates fire seasons rather than reacts to them, and it creates mechanisms to repay fire suppression loans quickly and transparently.

This legislation strikes the right balance: it modernizes outdated systems, funds the agencies on the front lines, and does so with fiscal responsibility. With growing public awareness and bipartisan concern over wildfires, now is the time to act.

Thank you for your consideration. I urge your support of House Bill 3940, which provides essential, wide-reaching updates to Oregon's wildfire policy and funding landscape.

Respectfully, Deborah Miley Executive Director, National Wildfire Suppression Association P.O. Box 169 Mill City, OR 97360 Email: <u>nwsa@nwsa.us</u> Ph: 503-897-6150