



Legislative Fiscal Office
 83rd Oregon Legislative Assembly
 2026 Regular Session

Prepared by: Chelsey Herrmann-Nordness
 Reviewed by: John Borden, Ben Ruef, Steve Robbins, Kim To
 Date: February 16, 2026

Bill Title: Relating to wildfires resulting from the fault of an electric company; declaring an emergency.

Government Unit(s) Affected: Department of Administrative Services, Judicial Department, Public Utility Commission, Department of Justice

Summary of Fiscal Impact:

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Public Utility Commission	\$ -	\$ -	\$ 650,000	\$ -	\$ 650,000	-	-
Total Fiscal Impact	\$ -	\$ -	\$ 650,000	\$ -	\$ 650,000	-	-

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Public Utility Commission	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Total Fiscal Impact	\$ -	\$ -	\$ -	\$ -	\$ -	-	-

Measure Description

The measure prohibits an electric company to recover from retail electricity consumers costs specified in the measure if a court or jury finds that a wildfire resulted in the negligence or higher degree of fault on the part of the electric company.

The measure requires the Public Utility Commission (PUC) to establish and maintain an escrow fund for the benefit of individuals who the electric company is found to be liable against in the civil action. PUC is required to establish a minimum amount that the electric company is to maintain in the escrow fund to satisfy the judgements that may result from the civil action and prohibit the electric company from accessing or directing the use of the escrowed funds except to satisfy any judgement amount.

Additionally, the measure establishes the Wildfire Recovery Fund in the Oregon State Treasury to be separate and distinct from the General Fund. The fund will consist of moneys deposited into the fund from punitive damages awarded under this measure, up to 60% of the award, and may also include moneys appropriated, allocated, deposited, or transferred by the Legislative Assembly. The measure specifies the fund is to be administered by the Department of Administrative Services (DAS) and DAS must transfer any moneys in the fund that is payable to the Attorney General to be deposited in the Criminal Injuries Compensation Account of the Department of Justice (DOJ) Crime Victims' Assistance Section. The measure also directs the first \$50 million that is deposited into the fund is payable to the Attorney General for deposit into the Criminal Injuries Compensation Account.

The provisions of the measure apply to wildfires that are ignited on or after January 1, 2020, and before January 1, 2025.

Fiscal AnalysisPublic Utility Commission

The fiscal impact to PUC is estimated to be \$650,000 Other Funds in the 2025-27 biennium.

PUC anticipates a one-time cost in order to meet the requirements of the measure to establish and maintain an escrow account. The commission anticipates needing to provide rulemaking and investigation, which can be absorbed within their current resources. However, PUC would need to contract an outside financial expert to assist with the escrow account and provide detailed financial analysis of PUC's financial position and obligations related to the escrow account. Utilizing estimates previously received by the commission on similar duties, the commission estimates the contract costing between \$300,000 - \$500,000. Additionally, PUC estimates an additional \$150,000 of legal costs for DOJ to review the commission's initial rules to implement the requirements of the measure.

Other entities

There is a minimal fiscal impact to DAS, DOJ, and the Oregon Judicial Department.

Relevant Dates

The measure declares an emergency and takes effect on passage.

The provisions relating to the punitive damages and Wildfire Recovery Fund take effect on January 1, 2027.