A-Engrossed Senate Bill 1511

Ordered by the Senate February 15 Including Senate Amendments dated February 15

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with presession 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 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, 2024.

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

Declares an emergency, effective on passage.

1 A BILL FOR AN ACT

- Relating to wildfire risk reduction; creating new provisions; amending ORS 476.398; and declaring an emergency.
- Be It Enacted by the People of the State of Oregon:

NEIGHBORHOOD PROTECTION COOPERATIVE GRANT PROGRAM

<u>SECTION 1.</u> (1) The State Fire Marshal shall establish a neighborhood protection cooperative grant program to promote wildfire resilience within communities.

- (2) In establishing the program described in subsection (1) of this section, the State Fire Marshal shall promote collaboration with other related programs to the extent practicable.
- (3) Under the program described in subsection (1) of this section, the State Fire Marshal shall award grants to local governments, organizations related to fire districts and nongovernmental organizations for awarding and administering individual grants to property owners to promote wildfire resilience, pursuant to criteria determined by the State Fire Marshal.
- (4) The State Fire Marshal shall develop criteria for awarding grants to local governments, organizations related to fire districts and nongovernmental organizations, and for

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16 17 awarding individual grants to property owners, in consultation with:

- (a) The Department of Consumer and Business Services and the State Forestry Department.
- (b) Stakeholders, in order to make requirements as workable for potential grantee organizations as possible.
- (5) The State Fire Marshal shall publish the criteria described in subsection (4) of this section on a State Fire Marshal website.
- (6) The criteria described in subsection (4) of this section for awards of grants to local governments, organizations related to fire districts and nongovernmental organizations may include requirements that grantees:
- (a) Create preliminary plans for identifying neighborhoods in which property owners may be awarded individual grants.
- (b) Conduct initial defensible space assessments for neighborhoods described in paragraph (a) of this subsection.
- (c) Require all persons who perform onsite hazard assessments funded by a grant under this section to complete defensible space assessment training overseen by the State Fire Marshal.
- (d) Periodically report to the State Fire Marshal on awarding and administering individual grants under this section.
 - (7) The criteria described in subsection (4) of this section for awards of individual grants may include qualifications and standards for eligibility, such as preferences for awarding individual grants to property owners who own property in neighborhoods:
 - (a) In areas with high wildfire risk.
 - (b) With identifiable social and economic barriers.
 - (c) That are likely to be successful in implementing wildfire risk reduction measures.
 - (8) The State Fire Marshal may adopt rules to implement this section, including rules defining "neighborhood" for purposes of this section.
 - <u>SECTION 2.</u> The State Fire Marshal shall publish neighborhood protection cooperative grant program criteria, as described in section 1 (5) of this 2024 Act, on or before January 1, 2025.
 - SECTION 3. (1) The Neighborhood Protection Cooperative Grant Program Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Neighborhood Protection Cooperative Grant Program Fund shall be credited to the fund.
 - (2) The fund shall consist of all moneys placed in the fund as provided by law and any gifts, grants, donations, endowments or bequests from any public or private source, including individuals and private organizations.
 - (3) Moneys in the fund are continuously appropriated to the State Fire Marshal for the purpose of carrying out the neighborhood protection cooperative grant program described in section 1 of this 2024 Act.
 - SECTION 4. ORS 476.398 is amended to read:
 - 476.398. (1) The State Fire Marshal shall biannually report regarding the status of State Fire Marshal and local government activities for carrying out ORS 476.392 and section 1 of this 2024 Act to a committee or interim committee of the Legislative Assembly related to wildfire, in the manner provided in ORS 192.245, to the State Wildfire Programs Director and to the Wildfire Pro-

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- (a) On or before the date of convening of the regular session of the Legislative Assembly as specified in ORS 171.010.
 - (b) Approximately six months after the date described in paragraph (a) of this subsection.
 - (2) The report shall include, but need not be limited to:
- (a) A status report regarding community risk reduction and the establishment, administration and enforcement of defensible space requirements;
- (b) A status report regarding the establishment and administration of the neighborhood protection cooperative grant program described in section 1 of this 2024 Act, including recommendations for improving administration of the program;
- [(b)] (c) The amount of moneys expended during the year for community risk reduction and the establishment, administration or enforcement of defensible space requirements;
- [(c)] (d) The amount of moneys expended during the year for the suppression of fires on wildland-urban interface lands; and
- [(d)] (e) Any recommendations of the State Fire Marshal for legislative action, including, but not limited to[,]:
 - (A) Current or future resource and funding needs for community risk reduction [and];
 - (B) Establishing, administering or enforcing defensible space requirements[.]; and
- (C) Improving the neighborhood protection cooperative grant program described in section 1 of this 2024 Act.

HOMEOWNER INSURANCE RISK REDUCTION CERTIFICATION PROGRAM REPORT

SECTION 5. (1) As used in this section:

- (a) "Homeowner insurance" has the meaning given that term in ORS 746.600.
- (b) "Wildfire risk mitigation action" has the meaning given that term in ORS 742.277.
- (2) In consultation with representatives from the insurance industry, with the Department of the State Fire Marshal and with the State Forestry Department, the Department of Consumer and Business Services shall develop a plan and implementation timeline for establishing a homeowner insurance risk reduction certification program that:
- (a) Identifies wildfire risk mitigation actions, including actions taken under the neighborhood protection cooperative grant program described in section 1 of this 2024 Act, that may result in lower costs, or better terms, for homeowner insurance policies.
 - (b) Is informed by discussion with decision makers in the insurance industry.
- (3) On or before December 1, 2024, the Department of Consumer and Business Services shall submit a preliminary report to committees or interim committees of the Legislative Assembly relating to natural resources, in the manner prescribed in ORS 192.245, and to the Governor, that:
 - (a) Describes actions taken under subsection (2) of this section; and
- (b) Suggests a date for submission of a subsequent, more complete report on actions described in subsection (2) of this section.

SECTION 6. Section 5 of this 2024 Act is repealed on January 2, 2026.

44 APPROPRIATION

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| 1 | SECTION 7. In addition to and not in lieu of any other appropriation, there is appropri- |
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| 2 | ated to the State Fire Marshal, for the biennium ending June 30, 2025, out of the General |
| 3 | Fund, the amount of \$5,000,000, for deposit in the Neighborhood Protection Cooperative Grant |
| 4 | Program Fund established by section 3 of this 2024 Act, to be expended as described in sec- |
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| 7 | CAPTIONS |
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| 9 | SECTION 8. The unit captions used in this 2024 Act are provided only for the convenience |
| 10 | of the reader and do not become part of the statutory law of this state or express any leg- |
| 11 | islative intent in the enactment of this 2024 Act. |
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| 13 | EFFECTIVE DATE |
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| 15 | SECTION 9. This 2024 Act being necessary for the immediate preservation of the public |
| 16 | peace, health and safety, an emergency is declared to exist, and this 2024 Act takes effect |
| 17 | on its passage. |
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