

Memorandum

Date: August 9, 2022
To: Clackamas County Board of Commissioners
From: PGA, DM, DTD
Subject: SB 762 implementation - Reducing wildfire risk

During the 2021 legislative session, the Oregon Legislature overwhelmingly passed Senate Bill 762 with bipartisan support in both chambers. SB 762 was an omnibus wildfire bill developed in response to the 2020 Labor Day fires. The [Clackamas County PGA](#) legislative report provided this bulleted summary of the bill:

- Develops statewide, publicly available, map of wildfire risk incorporating information such as risk-classes and wildland urban interface (WUI) interaction.
- Creates wildfire prevention policies, including community driven restoration of forests and rangelands, and ignition resistant materials requirements for new construction within high-risk zones.
- Directs new defensible space standards.
- Requires electric utilities to operate in compliance with a wildfire mitigation plan.
- Requires the Department of Environmental Quality to monitor for wildfire smoke, the Oregon Health Authority to create clean air shelters for the public, and OHA to increase the availability of smoke filtration systems.
- Requires wildfire to be included in the definition of “emergency” and for the Oregon Office of Emergency Management to update its statewide emergency plan to prepare for wildfire.
- Increases firefighter capacity, including air defense resources.
- Creates the Oregon Conservation Corps to engage youth and young adults in reduction of risk wildfire poses to communities and critical infrastructure, and to help create fire-adapted communities.
- Requires stakeholder engagement from public boards and advisory committees in development and review of the wildfire map, defensible space stands, building code safety measures and land use recommendations.
- Appoints a Wildfire Programs Advisory Council composed of stakeholders and members of the public to advise a new State Wildfire Programs Director, provide recommendations on implementation and community engagement.
- Invests \$188 million to implement these policies and support essential workforce and local communities on the frontlines, managing and mitigating wildfires.

The following sections provide an overview of the major state actions (rulemakings) stemming from the bill, the agencies overseeing each, the status/timeline of those rulemakings, and public comment opportunities:

Mapping wildfire risk ([Map Link](#))

Upon passage, the Oregon Department of Forestry (ODF) in collaboration with Oregon State University (OSU) mapped Oregon's WUI and established five classes of risk. This mapping was completed June 30, 2022 and ODF began to notify property owners assigned to high and extreme risk classes. Property owners and local governments may appeal their risk classification. The deadline for appeal is September 15 ([link to appeals page](#) and [link to FAQ](#)).

About the map: The wildland-urban interface (WUI) is where homes mix with flammable vegetation and people and property are at risk from wildfire, with five classifications: Extreme, High, Moderate, Low and No Risk.

Construction Codes

Oregon Building Codes Division held its first rulemaking advisory committee (RAC) meeting on June 9, 2022 and met with the Residential and Manufactured Structures Board on July 13. BCD interactive tool identifying wildfire hazard mitigation construction standards based on the risk map becomes available on August 29. [Link here to August 16th public hearing before RAC](#). Wildfire hazard mitigation construction provisions in the Oregon Residential Specialty Code will be adopted on October 1, 2022, with an effective date of April 1, 2023.

SB 762 required the director of Department of Business and Consumer Services to amend the residential code requiring fire-hardening measures for new construction including additions to existing dwellings and for replacement of existing exterior elements covered by [section R327](#).

Defensible space code updates

Oregon State Fire Marshall convened a Defensible Space Code Committee to develop draft language for Oregon's Defensible Space Code. The Oregon State Fire Marshall has announced 17 regional town halls throughout the months of August and September to discuss the new wildfire risk map and forthcoming defensible space code updates, per direction under SB 762.

Note the Clackamas Town Hall on September 6. Here is a link to the full town hall schedule: <https://drive.google.com/file/d/103BkmjJA2FAFEY1RhuDNclkeC14GzfJT/view>.

The code development process will be complete by December 2022 and go into effect in 2023.

For an outline/overview on these new regulations, visit:



<https://www.oregon.gov/osp/programs/sfm/pages/oregon-defensible-space-code.aspx>

Land use planning to reduce wildfire risk


















The Department of Land Conservation and Development (DLCD) is responsible for recommending updates to statewide land use planning and local land use plans and zoning codes that will reduce wildfire risk to Oregon communities. DLCD's report must be submitted to the Wildfire Programs Advisory Council and Oregon Legislature by October 1, 2022. DLCD is currently conducting a community engagement process ([link here](#)) that will run through September 2022.





















Wildfire Programs Advisory Council

The Wildfire Programs Advisory Council was established in 2021 following the passage of Senate Bill 762. The Council is to recommend and implement policies that will help prevent and better respond to wildfire, and create more fire resilient communities and landscapes in Oregon and is staffed by the Governor's office. [Link to membership](#), includes Clackamas Fire Chief Nick Browne representing fire chiefs with WUI firefighting experience. The group has been meeting since November 2021.

 = action deadline
 = report due to Legislature, Director, Council

SB 762-A: IMPLEMENTATION TIMELINE

| | 2021 | | | | | | 2022 | | | | | | 2023 | | | | | | | | | | | | | | | | | |
|---|--|-----|------|-----|-----|-----|--|-----|-----|-----|-----|-----|---|-----|------|-----|-----|--|--|-----|-----|-----|-----|-----|--|--|--|--|--|--|
| | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | July | | | | | |
| FIRE-ADAPTED COMMUNITIES | MAP: ODF to establish WUI definition & risk classes rulemaking and OSU to create map 100 days - WUI Defined  Dec. 31: ODF progress report  June 30: Statewide map complete | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | COMMUNITY RISK REDUCTION: OSFM Wildfire education, prevention, preparedness (& defensible space enforcement beginning Jan 2023)  | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | Jan: OSFM bi-annual report  | | | | | | Aug: OSFM bi-annual report  | | | | | | Jan: OSFM bi-annual report  | | | | | | | | | | | |
| | | | | | | | | | | | | | DEFENSIBLE SPACE: OSFM to modernize standards  | | | | | | Dec. 31: Minimum standards established | | | | | | | | | | | |
| | | | | | | | | | | | | | BUILDING CODES: DCBS R327 code updates  | | | | | | Oct. 1: R327 code adoption & Map  | | | | | | April 1: R327 code operative  | | | | | |
| | | | | | | | | | | | | | LAND USE: DLCD to update program   | | | | | | Oct 1: DLCD complete program update and report | | | | | | | | | | | |
| | UTILITIES: PUC offers workshops to share best practices for wildfire risk reduction; PUC standards established by rule; and electric utility risk-based wildfire plans created & implemented | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | Dec. 31: Public Utilities submit plan  | | | | | | June 30: Consumer-Owned submit plan  | | | | | | | | | | | | | | | | | |
| | WILDFIRE EMERGENCY PREPAREDNESS: OEM regional coordinators work with cities, counties, and others to ensure alignment with statewide plan and provide training | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | Dec. 31: Update statewide emergency plan to include wildfire  | | | | | | | | | | | | | | | | | | | | | | | |
| | COMMUNITY SMOKE RESPONSE PLANS: DEQ establishes a program to assist in developing community response plans to mitigate smoke | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | AIR QUALITY MONITORING ENHANCEMENT: DEQ community outreach, and deployment of air quality monitoring equipment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | CLEAN AIR SHELTER GRANT PROGRAM: DHS to establish grant program to establish clean air shelters with advanced air filtration systems in public buildings | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | June 30: Update on grant program  | | | | | | | | | | | | |
| SMOKE FILTRATION SYSTEM GRANT PROGRAM: OHA to establish grant program to increase availability of residential smoke filtration devices for vulnerable populations. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | Periodically report on grant program  | | | | | | | | | | | | |

| | 2021 | | | | | | 2022 | | | | | | | | | | | | 2023 | | | | | | | | |
|--|---|-----|------|-----|-----|--|---|-----|-----|-----|-----|-----|------|-----|------|-----|-----|-----|---|-----|-----|-----|-----|-----|------|--|--|
| | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | July | | |
| RESILIENT LANDSCAPES | WILDFIRE RISK REDUCTION PROGRAM: ODF to implement fuel reduction projects to restore landscape resiliency across public and private lands. Develop a 20-year plan.   | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | |  Jan 15: ODF progress report | | | | | | | | | | | | June 30 complete projects & Jul 15: final report | | | | | | | | |
| | WILDFIRE WORKFORCE CORPS: HECC to set up Advisory Committee and grants program for fuel treatments and wildfire risk reduction in home ignition zones. | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | |  June 30: Biennial report | | | | | | | | | | | | | | | | | | | | |
| | SMALL WOODLAND GRANT PROGRAM: ODF grant program to reduce wildfire risk by restoring landscape resiliency | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RESPONSE | FACILITATING EASIER ACCESS TO PRESCRIBED FIRE: Establish Prescribed Burn Manager Program to mitigate wildfire risk | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | |  Dec. 1: Board of Forestry report & initiate rulemaking | | | | | | | | | | | | Nov. 30: Complete rulemaking  | | | | | | | | |
| | ENHANCED WILDFIRE READINESS & RESPONSE CAPACITY: ODF and OSFM fire suppression, coordination, and response (personnel, equipment, training, etc.) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| OVERSIGHT | BASELINE FIRE PROTECTION LEVELS: Rulemaking to establish baseline protection levels for all lands susceptible to wildfire (jurisdiction formation, facilities, equipment, training, etc.) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | Jan 2026: Baseline levels fully established   | | | | | | | | |
| OVERSIGHT | STATE WILDFIRE PROGRAMS DIRECTOR: Implementation oversight of this 2021 Act and investigate opportunities for further risk reduction | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Bimonthly report  | | | | | |           | | | | | | | | | | | | | | | | | | | | |
| WILDFIRE PROGRAMS ADVISORY COUNCIL: Advise and assist the Director by closely monitoring implementation and recommending changes to further reduce risk | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | Oct: Annual Council report  | | | | | | | | | | | | | | | | | | | | | |

Homeowners insurance and wildfires

What is the Division of Financial Regulation's role?

The Division of Financial Regulation is the state insurance regulator in Oregon. Insurance companies must file their policies and rating plans with the division before they are sold to consumers. The division also examines insurance companies to make sure they are financially solvent, they pay claims according to the terms of their contract, and comply with the Oregon insurance code.

DFR offers free assistance to consumers by investigating complaints against insurance companies. The division also conducts outreach and education statewide on preparing for wildfires. In terms of preparedness, we inform consumers about making plans, storing key documents, reviewing insurance coverages, and creating defensible space in advance of wildfire season. More information about our resources: dfr.oregon.gov/preparenow.

How will the Oregon wildfire risk map affect the insurance market in Oregon?

For years, insurance companies have used their own proprietary risk models in underwriting and pricing for wildfire risk. Whether developing these models in house or purchasing them from consultants, insurance companies purchase a variety of data to build their own risk maps. The Oregon wildfire risk map reflects risks already accounted for by private industry maps and insurance company rating plans. Publication of the Oregon wildfire risk map will likely not have a significant impact on insurance company rates or underwriting decisions, because it does not represent new information to the industry. The map does provide to the public wildfire risk information that was previously not readily available to the public.

Can an insurance company refuse to cover wildfires in its policy?

No, the Oregon insurance code requires every homeowners insurance policy to include wildfire coverage.

Will my insurance company drop my homeowners coverage because of the Oregon wildfire risk map?

DFR meets regularly with the insurance industry, and



companies have reported that they plan to continue to use private industry models and maps to make underwriting decisions. The Oregon wildfire risk map will likely not affect an insurer's underwriting decision. That being said, the threat of wildfires continues to increase across the state, and any particular company may decide a piece of property is too risky to cover. DFR closely monitors insurance rates across the state and will continue to coordinate with the industry to maintain a stable insurance market in Oregon.

The good news is Oregon has a robust market with nearly 150 companies actively writing business in the state. Consumers can shop around to find the right coverage for them. If consumers cannot find coverage in the standard market, they can obtain coverage through the FAIR plan.

What is the Oregon FAIR plan?

The FAIR plan serves as the insurer of last resort if a property owner cannot find insurance coverage in the standard market. The FAIR plan offers a basic policy that covers property coverage only at actual cash value. DFR is developing a legislative concept on enhancements for the FAIR plan to provide greater consumer protection.

Who can I contact if I have questions?

DFR offers free help to consumers with insurance questions. Call 888-877-4894 (toll-free) or visit our website: dfr.oregon.gov.