

SENATE COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

March 10, 1997 Hearing Room C

9:00 AM Tapes 51 - 52

MEMBERS PRESENT:

Sen. Bob Kintigh, Chair

Sen. Bill Fisher, Vice-Chair

Sen. Bill Dwyer

Sen. Ted Ferrioli

Sen. Gary George

Sen. Thomas Wilde

MEMBER EXCUSED:

Sen. Veral Tarno

STAFF PRESENT:

Glen Stonebrink, Administrator

Brad Harper, Administrative Support

MEASURE/ISSUES HEARD:

SB 360 Public Hearing

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

| Tape/# | Speaker | Comments |
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| TAPE 51, A | | |
| 004 | Chair Kintigh | Chair convenes meeting at 9:05 AM and opens public hearing on SB 360. |
| <u>SB 360 PUBLIC HEARING</u> | | |
| 009 | Fred Robinson | Assistant Forester, Oregon Department of Forestry (ODF). Discussion of SB 360. Submission of written materials (EXHIBIT A). |

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| 050 | Sen. Dwyer | Question whether landowners could be taxed twice depending on overlapping protection districts. |
| 055 | Robinson | A double assessment is possible. |
| 067 | Sen. Dwyer | Question regarding triple tax. |
| 072 | Robinson | Triple tax not possible. |
| 085 | Lana Butterfield | Representing SAFECO Insurance Company. Supports SB 360. Discussion of voluntary efforts to address issues raised by SB 360. |
| 103 | John DeChristopher | Representing SAFECO. Cooperation efforts with Bend fire department. |
| 109 | Sen. Dwyer | Question regarding discounts for policy holders who have implemented fire prevention measures. |
| 111 | DeChristopher | No discounts available. |
| 115 | Sen. Ferrioli | Questions regarding unlimited liability issues facing homeowners. |
| 144 | Butterfield | Response |
| 148 | Chair Kintigh | Question regarding SAFECO's insurance policy versus other insurers. |
| 155 | DeChristopher | Discussion of available homeowner insurance policies and liability limits. Typical policy has \$100,000 limit, but policies range up to \$500,000 and more with "umbrella policies." |
| 180 | Chair Kintigh | Question regarding which people would not qualify for \$300,000 limit. |
| 183 | Butterfield | Response |
| 187 | Sen. Dwyer | Question regarding possible insurance discounts. |
| 191 | DeChristopher | Discussion of available insurance credits. |
| 205 | Sen. Ferrioli | Question regarding homeowner insurance liability limitations. |
| 210 | DeChristopher | Response |
| 225 | Sen. Ferrioli | Question regarding extent of liability coverage. |
| 227 | DeChristopher | Response |
| 236 | Sen. Ferrioli | Discussion of need for liability limitations and availability of increased insurance coverage. |
| 255 | Butterfield | Discussion of proposed amendments to SB 360. |
| 285 | Sen. Ferrioli | Encourages insurance companies to continue on current efforts. |
| 292 | Chair Kintigh | Comments |
| 300 | Sen. Fisher | Question regarding method of applying insurance coverage. |
| 314 | DeChristopher | Entire liability limit applies to all possible claims. |
| 328 | Sen. Dwyer | Discussion of public policy and burdens on homeowners. |
| 350 | DeChristopher | Response |
| 365 | Sen. Dwyer | Discussion of need for industry standards. |
| 400 | Butterfield | Response |

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| 405 | Chair Kintigh | Question |
| 410 | Butterfield | Response |
| TAPE 52,A | | |
| 015 | Carol Doty | President of Jackson County Citizen League. Submission of written testimony (EXHIBIT B). Supports SB 360. |
| 050 | Doty | Discussion of proposed changes to SB 360. |
| 060 | Sen. Dwyer | Comments regarding applicable law. |
| 071 | Doty | Discussion of personal experience with Jackson County building codes. |
| 087 | Sen. Dwyer | Comments regarding bank lending practices. |
| 096 | Doty | Further discussion of support for SB 360. |
| 132 | Sen. Dwyer | Discussion of committee's concerns. |
| 139 | Doty | Comments regarding balancing citizen rights. |
| 161 | Sen. Fisher | Shares Doty's concerns. |
| 184 | Doty | Further discussion of need for legislation to address current problems. |
| 247 | Robinson | Discussion of fire causes within interface. |
| 280 | Sen. Dwyer | Statement regarding proposed amendments to SB 360. |
| 294 | Sen. Fisher | Question regarding scope of proposed legislation. |
| 308 | Robinson | Explanation of attempts to accurately describe forest land urban interface area. |
| 330 | Sen. Dwyer | Comment |
| 341 | Robinson | Response |
| 360 | Tim Keith | Representing ODF. Submission of written materials (EXHIBIT C). Discussion of interface fire causes. |
| 398 | John Jackson | Representing ODF. Discussion of location of interface areas and historical fire sites. |
| TAPE 51,B | | |
| 044 | Sen. Dwyer | Question regarding fire suppression costs. |
| 050 | Keith | Response |
| 052 | Sen. Dwyer | Request for additional information regarding fire protection assessments. |
| 060 | Keith | Response |
| 062 | Robinson | Discussion of assessed fees and fire protection costs. |
| 077 | Sen. Dwyer | Comment |
| 079 | Robinson | Discussion of total fire cost calculations. |
| 084 | Keith | History of fire suppression efforts in Prineville area. |
| 100 | Jackson | Explanation of people management and safety issues effecting fire suppression methods in interface areas. Support for SB 360. |

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| 114 | Sen. Ferrioli | Purpose of SB 360 is to both lower risks for homeowners and to delineate how ODF is to recover fire suppression costs. Question regarding recent fire costs. |
| 130 | Robinson | Discussion of origin of Skeleton fire in Bend and absence of any landowner liability. |
| 152 | Keith | Fire suppression costs approximately \$2 million, with majority of costs borne by Bureau of Land Management & National Forest Service. |
| 171 | Sen. Ferrioli | Question regarding method for collection proposed fire suppression assessments and improved level of protection. |
| 180 | Robinson | If SB 360 had been in effect and complied with, then the Skeleton fire homes would likely have survived. |
| 194 | Sen. Ferrioli | Discussion of fire prevention methods. |
| 201 | Sen. Dwyer | Comments regarding fire suppression and SB 360. |
| 210 | Sen. Wilde | Question regarding specific terminology in SB 360. |
| 219 | Bill Moshofsky | Representing Oregonians in Action. Supports SB 360. Proposed clarification of "suburban" and process of classification. Important that notification process be comprehensive and effective. Supports proposed amendments to section 17 of SB 360. |
| 335 | Sen. George | Question regarding denial of occupancy provision mention by Doty. |
| 346 | Moshofsky | Does not believe SB 360 impacts that issue. Discussion of imposition of liabilities without additional protection of residences. |
| 393 | Sen. George | Discussion of "fairness factor." Question regarding responsibility for origin of fires and educational opportunities. |
| 429 | Moshofsky | Comments regarding potential interaction between SB 360 and SB 365. |
| TAPE 52,B | | |
| 031 | Sen. Dwyer | Concerns regarding SB 360 and need to further involve private industry. Education programs may be more effective than raising additional assessments. |
| 057 | Sen. George | Question regarding potential educational opportunities. |
| 070 | Dave Jessup | Director of Forest Protection, Forest Industries Council. Submission of written materials (EXHIBIT D). |
| 090 | Robinson | Discussion of fire prevention education efforts currently performed by ODF. |
| 112 | Sen. Dwyer | Question regarding estimates of revenue generation by SB 360. |
| 116 | Robinson | Purpose of SB 360 is to create incentive for increased fire prevention efforts, not intended to raise any revenue. |
| 125 | Sen. Dwyer | Question regarding proposed public notification methods and costs. |
| 131 | Robinson | Discussion of current fire prevention education programs and public information. |
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| 151 | Sen. Dwyer | Question regarding anticipated cost of SB 360 to homeowners. |
| 175 | Robinson | SB 360 concerns lands already within a forest protection district. Accordingly, there should be no need to form new districts. Cost to the homeowner intended to be equitable and end "subsidizing" urban interface at the expense of non-interface homeowners. |
| 229 | Sen. Dwyer | Comment regarding section 18 of SB 360. |
| 231 | Sen. Wilde | Question |
| 238 | Robinson | Discussion of "prima facie" language in proposed legislation. |
| 262 | Sen. Wilde | Comment regarding possible "undue burden" caused by proposed language. |
| 265 | Robinson | Response |
| 278 | Sen. Wilde | Concerns regarding proposed notification process. |
| 285 | Sen. Dwyer | Does not support "prima facie" terminology. |
| 299 | Sen. George | Question regarding provisions of section 17(b) within SB 360 and definition of "accumulation of vegetative fuel." |
| 329 | Clark Seely | Representing ODF. Possible to make language more descriptive. |
| 339 | Sen. George | Comment |
| 341 | Sen. Fisher | Question regarding fire protection during construction process, but before assessment has been made. |
| 374 | Robinson | SB 360 does not apply to new construction. County and state building codes govern standards during building process. |
| 420 | Chair Kintigh | Adjourns meeting at 10:55 AM. |

Submitted By, Reviewed By,

Brad Harper Glen Stonebrink

Administrative Assistant Administrator

EXHIBIT SUMMARY

A - SB 360, written materials, Fred Robinson, 6 pp.

B - SB 360, written testimony, Carol Doty, 2 pp.

C - SB 360, written materials, Tim Keith, 1 p.

D - SB 360, written materials, Dave Jessup, 13 pp.
