



Promoting and practicing sustainable forestry

2009-2011 BUDGET REQUEST



Wildfire Reduction Act

Investing up front to prevent large, costly wildfires

The risk of large wildfires is increasing, due to changing climate and other factors. Fighting those fires, particularly with the growing number of areas where development is expanding into forests, is becoming more costly and complex. Large wildfires pose major costs and financial risk to the state and landowners, and threaten natural resources, public safety and property. They also emit large amounts of greenhouse gases, and destroy forests that otherwise would absorb these gases.

The Wildfire Reduction Act seeks to provide extra firefighting resources up front to attack fires aggressively, so that fewer escape control to become catastrophic, costly and environmentally damaging incidents. An initial General Fund investment would provide more firefighters, fire engines and helicopters in the most fire-prone state forest protection districts, which account for more than 80 percent of large-fire costs on ODF-protected lands.

Through three key elements, this proposal seeks to better protect the state and forest landowners – who share firefighting costs that in other states are paid predominantly or entirely by the public – from the growing financial risk that more severe fire seasons are creating. Reducing the incidence of large fires would in turn reduce the public safety, environmental and property-damage risks associated with them.

In addition, a proposed change in performance goals and measurement would hold the department accountable to a commitment to reduce the incidence of large fires.

The current trend: bigger, hotter fires

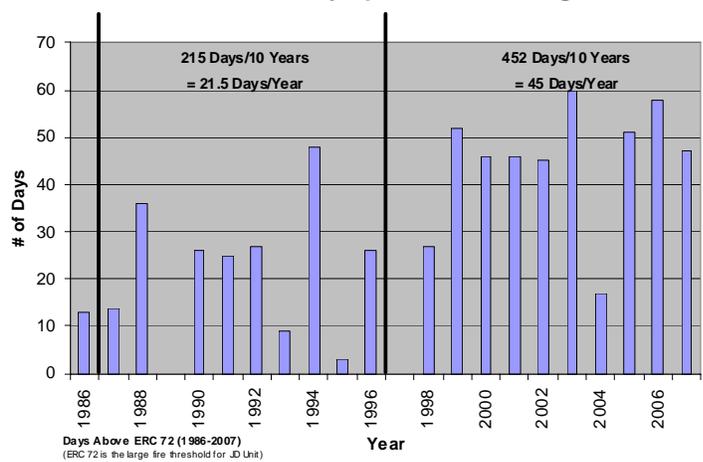
Since the 1990s, the Northwest has seen a trend toward warmer, drier summers. Today, wildfires burn hotter, grow faster, and require more firefighters and equipment to suppress.

Forest fuel build-up and population expansion have combined with the climate shift to worsen the situation. Overly dense tree stands on millions of acres of public forestlands – many of them adjacent to private lands

protected by the state – have created heavy fuel beds that once ignited, burn violently. As the state’s population continues to expand into areas adjacent to these overgrown forests, people, resources and property are increasingly placed at risk from wildfire.

Climatologists predict the current weather trend that is fostering extreme fire conditions could continue for decades.

Fire risk days per season rising



Due to climate change, the number of high fire-risk days has doubled in some areas, including the John Day district, as shown here.



September 15, 2008

Backgrounder Wildfire Reduction Act

The current trend: bigger, hotter fires (cont.)

Meanwhile, ODF firefighting costs continue to climb, driven largely by inflation and the cost of a relatively small number of large fires annually – just one of which can cost as much as \$2 million to \$5 million-plus to suppress.

Protecting Oregon's air, water and climate

Protecting private, state and county forestlands and city watersheds from fire is in the public interest. These lands provide public benefits, such as clean air and water, wildlife habitat, open space and contributions to Oregon's economy. The increase in large fires threatens these values. These violent blazes also emit large amounts of gases that contribute to global warming. Climate change, in turn, threatens further damage to forests and other natural resources.

In 2007, the 2,725-acre Shelton Fire near Fossil spewed 58 million pounds of carbon dioxide – equivalent to a year's worth of emissions from 4,800 cars.

The Wildfire Reduction Act buys three key elements:

While virtually all states pay for firefighting on private forests predominantly with public funds, Oregon's forest landowners have historically paid half the cost of basic fire protection, which suppresses most fires while they're still small. However, landowners pay about 85 percent of the costs of the large fires. **The Wildfire Reduction Act would reduce large fires and their damage, control long-term public and private exposure to high costs, and increase equity by:**

1. Increasing firefighting capacity, totaling \$8.4 million in additional General Funds, to strengthen basic fire response capacity in four "high-fire" districts, so more fires can be put out while still small. Severe fire seasons have frequently required these districts to spend landowner dollars reserved for large fires. At times, that fund has been depleted, exposing the General Fund to risk. This General Fund risk is rising as fire seasons grow more severe.

2. Shifting to landowners a financial commitment, now met through a Special Purpose Appropriation (SPA) within the legislature's emergency fund, that allows ODF to obtain extra firefighting resources during severe fire danger conditions, and to strategically position them where they're most likely to be needed. Under the act, landowners would spend up to \$4 million annually for these "severity" resources. Landowners' assumption of this commitment would help offset the General Fund investment in increased capacity.



3. Restructuring the system for paying the costs of fighting large fires – and using that system less frequently. In recent years, landowners have been responsible for the first \$15 million of large-fire costs each year, and the General Fund for the next \$10 million. (These sums form the \$25 million deductible of a fire insurance policy that the state and landowners buy each year.)

In most years, all of the large-fire costs have fallen within the landowners' share, although trends suggest that those costs are growing more likely to surpass that share, reaching into the General Fund portion. Under the act, landowners and the General Fund would share large-fire costs as they occur. **However, the increased capacity in**

high-fire districts would allow ODF to raise its goal for suppressing most fires while still small, reducing demand for state and private large-fire dollars.

Extreme fire behavior is challenging firefighters' ability to protect life, natural resources and property.

Benefits and outcomes

The act would address the financial, public safety and environmental implications of the increasing incidence and severity of large fires through:

-- **An improved system.** Based on increased up-front firefighting capacity where it's most needed, the act would position the state and forest landowners to better address the long-term increase in the frequency, severity and costs – financial and environmental – of large wildfires.

Backgrounder Wildfire Reduction Act

Benefits and outcomes (cont.)

-- **Increased insurance protection.** The increased capacity would allow the state and landowners to negotiate a fire insurance policy with a shared deductible of \$20 million, down from the current \$25 million.

-- **Improved viability for forestlands.** Because of their location in drier areas, those lands at highest risk of large fires are also less capable of producing the economic value that landowners need to protect and manage their lands. The act would help enhance the economic viability of forest ownership in these areas, providing landowners with further incentives to actively manage their forests and to keep them in forest use.

-- **Results and accountability.** Over the years, ODF has consistently met one of its key performance measures: Contain 94 percent of fires at 10 acres or less. But in 2007, ODF fell short. **The act would allow improved performance measures for defining and tracking firefighting success, and would support a higher performance goal – containment of 97 percent of fires at 10 acres or fewer.**

For more information

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