Recommendation 1: Trust Fund

- Recommend a constitutionally-created trust fund to pay for the public share of large fire suppression costs on the Department’s jurisdictional fires and for reducing wildland fire risk.

Revenue to the Trust Fund

- Recommend the primary revenue source be 2% of lottery funds.
- Interest earned on the Trust Fund.
- Other revenue sources could be pursued by the Legislature including private donations.

Trust Fund Thresholds

- The expected annual exposure to the General Fund (public share of large fire suppression costs) will be established annually by the Oregon Board of Forestry.
- The Trust Fund is not eligible for use until July 1 of 2021 or the fund reaches 100% of the expected annual exposure to the General Fund, as defined by the Board of Forestry.
- Once available for use, when the Trust Fund balance exceeds 100% of the expected annual exposure to the General Fund, then up to 40% of revenues above that amount may be used for wildland fire risk reduction investments.
- When the Trust Fund balance reaches 150% of the expected annual exposure, all additional revenues may be used for reducing wildland fire risk.

- Recommend the Department create a Trust Fund ‘Governance’ Work Group, drawing in part from the current membership of the Large Fire Funding Work Group as an existing core group of subject matter experts and including other interested parties, to develop a legislative concept that:
  - defines the Board of Forestry as an overarching decision-making authority,
  - uses the EFCC’s audit process for determining claims against the Trust Fund,
  - recommends potential Trust Fund threshold levels, as well as other appropriate details of governance,
  - and ensures Trust Fund structure does not affect FEMA eligibility.
Recommendation 2: Catastrophic Fire Insurance Policy

- Recommend that the Department and the Emergency Fire Cost Committee regularly perform due diligence on the value, retention and policy limits of the existing catastrophic insurance policy and when appropriate, purchase the catastrophic insurance policy.

- Recommend the Department continue to explore the concept of parametric insurance, and assess its strategic value and role with the proposed Trust Fund.

Recommendation 3: BLM Protection Study

- Recommend that the Department, the Emergency Fire Cost Committee and the BLM initiate a study examining the equity of BLM contributions to large fire funding and costs expended on BLM lands, and present alternatives for reconciling identified issues to agency leaders. **Note:** BLM leadership should be included in the process as early as possible.