The Large Fire Funding Work Group recommendations are presented with the following set of assumptions and principles.

**Assumption**

Prior to the 2013 fire season, the ten-year average for net large fire suppression costs was at $8 million (M). Including the past three extreme fire seasons, the ten-year average for net large fire suppression costs have increased to $20M. Based on our history of acres burned and suppression costs, we would expect this average to decline over the next several years, even with the general trend towards more complex and costly fire seasons.

**Principles**

**Principle #1: Seeking to reach equity at the ten-year average of net large fire cost ($20M)**

a. Provides for a 50/50 match for net large fire suppression costs with forest landowners and the General Fund (GF).

b. Honors the history of landowners paying the majority of large fire suppression costs. The OFLPF, prior to the Wildfire Protection Act (WPA), covered the first $10-15M for several decades.

c. Recognizes that the public shares in the responsibility of protecting the social, environmental, and economic values that privately and publicly owned forests provide.

d. Acknowledges the following breakdown of fire causes and acres burned on a 10 year average: landowners (37% of the fire causes and 9% of the acres), public (33% of the fire causes and 7% of the acres), lightning (31% of the causes and 84% of the acres).

e. Recognizes that in addition to suppression costs, forest landowners alone bear the loss of the investment (reforestation, infrastructure, etc.) they have made in their forest lands including forest re-establishment costs after forest fires.

**Principle #2: Providing certainty of public funds (General Fund, Lottery, etc.) for large fire suppression costs.**

a. Ensures stability of GF to meet the 50/50 match with landowners to reach equity for the ten-year net annual average of large fire suppression cost of $20M.

b. Ensures availability of public funds when extreme fire seasons occur (such as the past three years) and net large fire suppression costs are incurred beyond the $20M 50/50 match with landowners and the GF.

**Principle #3: Sharing the risk with an insurance policy has proven to be valuable in the past and prudent for the future to minimize significant fluctuations in net large fire costs to Oregon.**

a. Through thoughtful deliberation, maintain the current insurance policy and consider a new model to augment the existing policy such as a parametric policy to help fund public share costs.

b. Maintains equity in the purchase of the insurance policy between landowners and the GF.

c. In view of the continued potential for complex fire seasons, maintains the current $75M funding structure, (which was a $45 million structure prior to 2015).