

A-Engrossed
House Bill 2327

Ordered by the House February 1
Including House Amendments dated February 1

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Representative Susan Morgan)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Establishes policy of state for funding of fire protection. Directs State Forestry Department to include specific request in budget forms prepared for Oregon Department of Administrative Services. Creates Oregon Fire Protection Contingency Fund. Specifies sources and purposes.

Forbids forester or other agency from interfering with landowner taking action to suppress fire on landowner's land unless action would increase risk of injury to persons or equipment.

Reduces or eliminates harvest tax and assessments, depending on amount held in Oregon Forest Land Protection Fund.

Removes sunset of provisions reducing reserve base of Oregon Forest Land Protection Fund.

Appropriates moneys from General Fund to State Forestry Department for payment of catastrophic fire insurance.

Declares emergency, effective March 1, 2005.

A BILL FOR AN ACT

1
2 Relating to forest fire protection; creating new provisions; amending ORS 477.277, 477.281, 477.295,
3 477.755, 477.760 and 477.775 and section 11, chapter 685, Oregon Laws 2003; repealing sections
4 12 and 13, chapter 685, Oregon Laws 2003; appropriating money; and declaring an emergency.

5 Whereas the Legislative Assembly finds that fire suppression benefits the state by protecting
6 public safety, by maintaining forestland in a condition that can generate forest products, jobs, re-
7 venue, a stable tax base and other economic benefits and by helping to maintain clean water, clean
8 air, wildlife habitat, recreational opportunities and other environmental and social benefits; and

9 Whereas the Legislative Assembly finds that members of the general public cause a substantial
10 portion of fires that occur on protected forestlands; and

11 Whereas the Legislative Assembly finds that it is far better to prevent fires or to suppress them
12 when the fires are small rather than to allow the occurrence of large fires; and

13 Whereas the Legislative Assembly finds that it is fiscally inefficient to budget forest protection
14 district resources at a worst-case level for every fire season, and it is sometimes highly beneficial
15 to provide additional resources for enhanced initial fire response on the basis of predicted severity
16 or in response to resource availability shortage; now, therefore,

17 **Be It Enacted by the People of the State of Oregon:**

18 **SECTION 1. Sections 2 and 3 of this 2005 Act are added to and made a part of ORS**
19 **chapter 477.**

20 **SECTION 2. (1) It is the policy of the State of Oregon to fund overall fire protection**
21 **provided on private lands pursuant to this chapter in roughly equal amounts from public**
22 **funds and from private forestland owners.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **(2) As part of the preparation of the budget forms submitted to the Oregon Department**
2 **of Administrative Services pursuant to ORS 291.208 for the State Forestry Department, the**
3 **State Forester shall prepare, in addition to any amounts budgeted for forest protection dis-**
4 **tricts pursuant to ORS 477.205 to 477.281, a budget request for a General Fund appropriation**
5 **that may be used for any or all of the following:**

6 **(a) Providing funds for the purchase of insurance under ORS 477.775.**

7 **(b) Placement of centrally managed fire suppression resources for statewide use.**

8 **(c) Acquisition of fast-mobilizing, short-term contingency resources to be used based on**
9 **predictions of unusually severe fire weather, widespread lightning events or serious resource**
10 **shortage due to a heavy fire season.**

11 **(d) Enhancement of forest protection district resources in limited cases where land pro-**
12 **ductivity or other economic factors seriously limit the protection district's ability to provide**
13 **adequate funding to meet performance standards.**

14 **(3) The State Forester shall utilize critical discretion in the expenditure of the funds**
15 **provided to the State Forestry Department pursuant to the separate budget request required**
16 **under subsection (2) of this section.**

17 **(4) Notwithstanding ORS 293.190, moneys appropriated under the budget request made**
18 **pursuant to subsection (2) of this section that remain unexpended and unobligated do not**
19 **automatically revert to the General Fund. On June 30 of each odd-numbered year, if the**
20 **balance of the Oregon Fire Protection Contingency Fund established in section 3 of this 2005**
21 **Act is less than \$10 million, the State Forestry Department shall transfer any amounts re-**
22 **maining unexpended and unobligated from the budget request made pursuant to subsection**
23 **(2) of this section to the Oregon Fire Protection Contingency Fund. If the balance of the**
24 **Oregon Fire Protection Contingency Fund reaches \$10 million, any unexpended and unobli-**
25 **gated funds that would otherwise be subject to transfer shall revert to the General Fund.**

26 **(5) The State Forester shall report to the Emergency Board, each year, after the close**
27 **of the fire season, on:**

28 **(a) The nature and severity of the fire season;**

29 **(b) The moneys expended on fire suppression;**

30 **(c) The rationale for the expenditures; and**

31 **(d) The balance remaining from the biennial appropriation.**

32 **SECTION 3. (1) The Oregon Fire Protection Contingency Fund is established separate and**
33 **distinct from the General Fund. Interest earned by the Oregon Fire Protection Contingency**
34 **Fund shall be credited to the fund. The fund shall be composed of moneys transferred to the**
35 **fund by the State Forestry Department pursuant to section 2 of this 2005 Act.**

36 **(2) Moneys in the fund are continuously appropriated to the State Forestry Department**
37 **for the purpose of paying emergency fire suppression costs incurred in the protection of**
38 **forestland within a forest protection district.**

39 **(3) Notwithstanding subsection (2) of this section, the department may spend moneys**
40 **from the fund only when the annual cost of fire suppression exceeds the limit for expenses**
41 **authorized by ORS 477.755 and by the Legislative Assembly from the Oregon Forest Land**
42 **Protection Fund.**

43 **SECTION 4. Section 5 of this 2005 Act is added to and made a part of ORS 477.064 to**
44 **477.120.**

45 **SECTION 5. (1) The State Forester, or any agency or organization with responsibility to**

1 suppress fires, may not prohibit a landowner or the landowner's agent from suppressing a
2 fire occurring on the landowner's property or that poses a threat to the landowner's prop-
3 erty.

4 (2) Notwithstanding subsection (1) of this section, the forester, agency or organization
5 may prohibit a landowner or the landowner's agent from suppressing a fire if the landowner
6 or agent conducts the action in a manner that the forester, agency or organization reason-
7 ably determines is likely to increase the risk of injury or damage to the personnel or equip-
8 ment of the forester, agency or organization.

9 **SECTION 6.** Section 7 of this 2005 Act is added to and made a part of ORS 477.205 to
10 477.281.

11 **SECTION 7.** Subject to the forest patrol assessment limitations set forth in ORS 477.230:

12 (1) Actual costs incurred by the forester in the prevention and suppression of fire on
13 grazing land or timberland located within a forest protection district, in excess of the
14 amount budgeted as required by ORS 477.230, but not including those costs eligible for
15 equalization by the Oregon Forest Land Protection Fund, shall be, without regard to pro-
16 ceedings for the collection of the costs:

17 (a) Included in the budget for the next fiscal year; and

18 (b) Levied and assessed against the grazing land or timberland in the district.

19 (2) Budgeted amounts not expended may be carried forward as a credit to the assessment
20 rate for the ensuing year.

21 **SECTION 8.** ORS 477.277, as amended by section 6, chapter 685, Oregon Laws 2003, is amended
22 to read:

23 477.277. (1) In addition to any other assessment prescribed by ORS 477.205 to 477.281, in any
24 fiscal year in which the Emergency Fire Cost Committee determines *[that the reserve base of the]*
25 **pursuant to ORS 477.760 that the unencumbered balance of the** Oregon Forest Land Protection
26 Fund is less than *[\$15]* **\$22.5** million, a surcharge shall be levied and assessed in the amount of \$38
27 for each improved lot or parcel, except as provided in ORS 477.760, to defray the increased cost of
28 fire suppression on forestland that is caused by the existence of the improvements.

29 (2) All surcharge moneys collected pursuant to this section shall be paid into the Oregon Forest
30 Land Protection Fund.

31 (3) If an owner of forestland files a forest protection plan with the forester which is approved
32 by the State Board of Forestry under ORS 477.210 (2), the owner shall not be required to pay the
33 surcharge levied under subsection (1) of this section.

34 (4) As used in this section, a lot or parcel is "improved" if it is indicated as improved in the
35 county assessor's property classification files or if a manufactured dwelling is sited on the lot or
36 parcel.

37 **SECTION 9.** ORS 477.281, as amended by section 7, chapter 685, Oregon Laws 2003, is amended
38 to read:

39 477.281. (1) The obligation of an owner of timberland or grazing land for payment of assessments
40 and taxes for fire protection of forestland is limited to:

41 (a) The payment of moneys pursuant to ORS 321.015 (2), 477.277, 477.295, 477.760 (4) and 477.880
42 to maintain the Oregon Forest Land Protection Fund reserve base at *[\$15]* **\$22.5** million; and

43 (b) The payment of forest protection district assessments pursuant to ORS 477.205 to 477.281.

44 (2) As used in this section, "obligation of an owner of timberland or grazing land for payment
45 of assessments and taxes for fire protection of forestland" does not include the duties or obligations

1 of the owner under ORS 477.066, 477.068 or 477.120 or the obligations of an owner of land included
2 in a rural fire protection district pursuant to ORS 478.010.

3 **SECTION 10.** ORS 477.295 is amended to read:

4 477.295. (1) For purposes of making the levy and assessment of costs against forestland under
5 ORS 477.270, the minimum cost to provide fire protection or suppression for any lot or parcel of real
6 property separately assessed for ad valorem taxes or other taxes provided by law in lieu thereof,
7 on the current assessment roll shall be not less than \$18, except as provided in ORS 477.760. Three
8 dollars of each minimum assessment shall be paid into the Oregon Forest Land Protection Fund.
9 Otherwise, such assessments shall be determined under ORS 477.230 and 477.270.

10 (2) In any fiscal year in which the Emergency Fire Cost Committee determines *[the reserve*
11 *base]* **pursuant to ORS 477.760 that the unencumbered balance** of the Oregon Forest Land Pro-
12 **tection Fund [to be] is:**

13 (a) More than \$22.5 million **but less than or equal to \$30 million**, the minimum assessment
14 referred to in subsection (1) of this section shall be *[\$15]* **\$16.50** for each lot or parcel *[and such*
15 *amount shall be treated in the same manner as assessments under ORS 477.230 and 477.270].* **Of that**
16 **amount, \$1.50 of each minimum assessment shall be paid into the Oregon Forest Land Pro-**
17 **tection Fund.**

18 (b) **More than \$30 million, the minimum assessment referred to in subsection (1) of this**
19 **section shall be \$15 for each lot or parcel. This amount shall be treated in the same manner**
20 **as assessments under ORS 477.230 and 477.270.**

21 (3) Upon application to the forester under subsection (4) of this section, contiguous lots held
22 under identical ownership shall be considered as one combined lot for purposes of subsection (1) of
23 this section, except that the combined lot shall not include:

24 (a) A lot on which a structure has been placed or improvements made for the purpose of erect-
25 ing any temporary or permanent structure;

26 (b) A lot that is in a subdivision containing lots that have been or are being offered for sale;
27 or

28 (c) A lot that is not designated forest or agricultural land for the purpose of land use or special
29 tax assessment purposes.

30 (4) To qualify under subsection (3) of this section, an owner of forestland shall make application
31 to the forester no later than April 15 of the fiscal year preceding each fiscal year for which the
32 owner desires the land to be assessed under subsection (3) of this section. The application shall be
33 on a form prescribed by the State Forester. A fee of \$25 per combined lot shall be paid to the
34 forester at the time of first application for the combined lot. An additional fee of \$25 per combined
35 lot shall be paid to the forester at the time of subsequent application, if an application for the
36 combined lot was not made for the previous fiscal year.

37 (5) The State Board of Forestry may adopt rules for the administration of the provisions of
38 subsections (3) and (4) of this section.

39 (6) For the purposes of this section, "lot" and "subdivision" have the meanings given those terms
40 in ORS 92.010.

41 **SECTION 11.** ORS 477.295, as amended by section 8, chapter 685, Oregon Laws 2003, is
42 amended to read:

43 477.295. (1) For purposes of making the levy and assessment of costs against forestland under
44 ORS 477.270, the minimum cost to provide fire protection or suppression for any lot or parcel of real
45 property separately assessed for ad valorem taxes or other taxes provided by law in lieu thereof,

1 on the current assessment roll shall be not less than \$18, except as provided in ORS 477.760. Three
2 dollars of each minimum assessment shall be paid into the Oregon Forest Land Protection Fund.
3 Otherwise, such assessments shall be determined under ORS 477.230 and 477.270.

4 (2) In any fiscal year in which the Emergency Fire Cost Committee determines [*the reserve*
5 *base*] **pursuant to ORS 477.760 that the unencumbered balance** of the Oregon Forest Land Pro-
6 tection Fund [*to be*] **is:**

7 (a) More than [*\$15*] **\$22.5 million but less than or equal to \$30 million**, the minimum assess-
8 ment referred to in subsection (1) of this section shall be [*\$15*] **\$16.50** for each lot or parcel [*and*
9 *such amount shall be treated in the same manner as assessments under ORS 477.230 and 477.270*].
10 **Of that amount, \$1.50 of each minimum assessment shall be paid into the Oregon Forest**
11 **Land Protection Fund.**

12 (b) **More than \$30 million, the minimum assessment referred to in subsection (1) of this**
13 **section shall be \$15 for each lot or parcel. This amount shall be treated in the same manner**
14 **as assessments under ORS 477.230 and 477.270.**

15 (3) Upon application to the forester under subsection (4) of this section, contiguous lots held
16 under identical ownership shall be considered as one combined lot for purposes of subsection (1) of
17 this section, except that the combined lot shall not include:

18 (a) A lot on which a structure has been placed or improvements made for the purpose of erect-
19 ing any temporary or permanent structure;

20 (b) A lot that is in a subdivision containing lots that have been or are being offered for sale;
21 or

22 (c) A lot that is not designated forest or agricultural land for the purpose of land use or special
23 tax assessment purposes.

24 (4) To qualify under subsection (3) of this section, an owner of forestland shall make application
25 to the forester no later than April 15 of the fiscal year preceding each fiscal year for which the
26 owner desires the land to be assessed under subsection (3) of this section. The application shall be
27 on a form prescribed by the State Forester. A fee of \$25 per combined lot shall be paid to the
28 forester at the time of first application for the combined lot. An additional fee of \$25 per combined
29 lot shall be paid to the forester at the time of subsequent application, if an application for the
30 combined lot was not made for the previous fiscal year.

31 (5) The State Board of Forestry may adopt rules for the administration of the provisions of
32 subsections (3) and (4) of this section.

33 (6) For the purposes of this section, "lot" and "subdivision" have the meanings given those terms
34 in ORS 92.010.

35 **SECTION 12.** ORS 477.755 is amended to read:

36 477.755. (1) Notwithstanding ORS 291.238, the moneys in the Oregon Forest Land Protection
37 Fund are appropriated continuously to the Emergency Fire Cost Committee and shall be used for
38 equalizing emergency fire suppression costs for safeguarding forestland in any forest protection
39 district, and for necessary administrative expenses. However, such administrative expenses may not
40 exceed the limit authorized by the Legislative Assembly each biennium.

41 (2) Notwithstanding any other provision of law, the annual expenditure from the Oregon Forest
42 Land Protection Fund from revenues received from ORS 321.015 (2), 477.277 (1), 477.295 (1) **and (2)**,
43 477.750 (1) and (2), 477.760 (4) and 477.880 (2) may not exceed \$15 million.

44 (3) **As used in this section, "annual expenditure" means the expenses of the Oregon**
45 **Forest Land Protection Fund obligated in any 12-month period designated by the Emergency**

1 **Fire Cost Committee by rule that corresponds to the policy period of any insurance for**
2 **emergency fire costs.**

3 **SECTION 13.** ORS 477.755, as amended by section 9, chapter 685, Oregon Laws 2003, is
4 amended to read:

5 477.755. (1) Notwithstanding ORS 291.238, the moneys in the Oregon Forest Land Protection
6 Fund are appropriated continuously to the Emergency Fire Cost Committee and shall be used for
7 equalizing emergency fire suppression costs for safeguarding forestland in any forest protection
8 district, and for necessary administrative expenses. However, such administrative expenses may not
9 exceed the limit authorized by the Legislative Assembly each biennium.

10 (2) Notwithstanding any other provision of law, the annual expenditure from the Oregon Forest
11 Land Protection Fund from revenues received from ORS 321.015 (2), 477.277 (1), 477.295 (1) **and (2)**,
12 477.750 (1) and (2), 477.760 (4) and 477.880 (2) may not exceed \$10 million.

13 (3) **As used in this section, “annual expenditure” means the expenses of the Oregon**
14 **Forest Land Protection Fund obligated in any 12-month period designated by the Emergency**
15 **Fire Cost Committee by rule that corresponds to the policy period of any insurance for**
16 **emergency fire costs.**

17 **SECTION 14.** ORS 477.760 is amended to read:

18 477.760. (1) The reserve base of the Oregon Forest Land Protection Fund is \$22.5 million. On
19 or about the last day of February of each year the Emergency Fire Cost Committee shall meet and
20 determine the unencumbered balance of the fund as of the preceding February 16.

21 (2) In order to maintain the reserve base of the fund at \$22.5 million, the Emergency Fire Cost
22 Committee may request and the State Treasurer may approve transfers to the fund in accordance
23 with ORS 293.205 to 293.225, if the moneys in this fund fall below the reserve base, whether or not
24 there are sufficient moneys in the fund to pay the obligations of the fund. Repayment of any such
25 transfers shall be made from moneys paid into the fund pursuant to ORS 321.015 (2), 477.277 and
26 477.880 and from such other moneys as may be credited to the fund therefor.

27 (3) If the committee determines that the moneys in the fund exceed:

28 (a) The reserve base, and that no repayment obligations are outstanding from transfers made
29 pursuant to subsection (2) of this section, then the **Department of Revenue shall reduce the taxes**
30 **described in ORS 321.015 (2) [shall not be collected for the following calendar year, and the assess-**
31 **ments described in ORS 477.880 shall not be levied for the following fiscal year.] by 50 percent for**
32 **the following calendar year and the surcharge for each improved lot or parcel described in**
33 **ORS 477.277 and the assessments described in ORS 477.880 shall be reduced by 50 percent for**
34 **the following fiscal year.**

35 (b) **\$30 million, and that no repayment obligations are outstanding from transfers made**
36 **pursuant to subsection (2) of this section, then the Department of Revenue may not collect**
37 **the taxes described in ORS 321.015 (2) for the following calendar year and the surcharge for**
38 **each improved lot or parcel described in ORS 477.277 and the assessments described in ORS**
39 **477.880 may not be collected for the following fiscal year.**

40 (4)(a) Notwithstanding any other provision of law, if the funds referred to in subsection (2) of
41 this section are inadequate to cover repayment of transfers from the State Treasurer or from other
42 sources, the State Forester shall increase the following taxes, assessments and charges in an amount
43 adequate to [assure] **ensure** repayment of the transfers, and any interest accrued thereon, allowing
44 for contingencies in valuation, assessment and collection:

45 (A) The harvest tax referred to in ORS 321.015 (2).

1 (B) The surcharge on developed lots referred to in ORS 477.277.

2 (C) The minimum assessment referred to in ORS 477.295.

3 (D) The acreage assessments referred to in ORS 477.880 (2).

4 (b) The increases to taxes, assessments and charges shall be apportioned based upon the
5 proportionate levels of revenues received from each source by the Oregon Forest Land Protection
6 Fund. Any such increases shall be computed on or before January 1 of each year, and shall be based
7 upon revenues received during the previous four quarters. Any such increases shall be made in the
8 appropriate calendar or fiscal year following that in which the requested transfers from the State
9 Treasurer or from other sources are made.

10 **SECTION 15.** ORS 477.760, as amended by section 10, chapter 685, Oregon Laws 2003, is
11 amended to read:

12 477.760. (1) The reserve base of the Oregon Forest Land Protection Fund is [~~\$15~~] **\$22.5** million.
13 On or about the last day of February of each year the Emergency Fire Cost Committee shall meet
14 and determine the unencumbered balance of the fund as of the preceding February 16.

15 (2) In order to maintain the reserve base of the fund at [~~\$15~~] **\$22.5** million, the Emergency Fire
16 Cost Committee may request and the State Treasurer may approve transfers to the fund in accord-
17 ance with ORS 293.205 to 293.225, if the moneys in this fund fall below the reserve base, whether
18 or not there are sufficient moneys in the fund to pay the obligations of the fund. Repayment of any
19 such transfers shall be made from moneys paid into the fund pursuant to ORS 321.015 (2), 477.277
20 and 477.880 and from such other moneys as may be credited to the fund therefor.

21 (3) If the committee determines that the moneys in the fund exceed:

22 (a) The reserve base, and that no repayment obligations are outstanding from transfers made
23 pursuant to subsection (2) of this section, then the **Department of Revenue shall reduce the** taxes
24 described in ORS 321.015 (2) [~~shall not be collected for the following calendar year, and the assess-~~
25 ~~ments described in ORS 477.880 shall not be levied for the following fiscal year.] **by 50 percent for**
26 **the following calendar year and the surcharge for each improved lot or parcel described in**
27 **ORS 477.277 and the assessments described in ORS 477.880 shall be reduced by 50 percent for**
28 **the following fiscal year.**~~

29 (b) **\$30 million, and that no repayment obligations are outstanding from transfers made**
30 **pursuant to subsection (2) of this section, then the Department of Revenue may not collect**
31 **the taxes described in ORS 321.015 (2) for the following calendar year and the surcharge for**
32 **each improved lot or parcel described in ORS 477.277 and the assessments described in ORS**
33 **477.880 may not be collected for the following fiscal year.**

34 (4)(a) Notwithstanding any other provision of law, if the funds referred to in subsection (2) of
35 this section are inadequate to cover repayment of transfers from the State Treasurer or from other
36 sources, the State Forester shall increase the following taxes, assessments and charges in an amount
37 adequate to [~~assure~~] **ensure** repayment of the transfers, and any interest accrued thereon, allowing
38 for contingencies in valuation, assessment and collection:

39 (A) The harvest tax referred to in ORS 321.015 (2).

40 (B) The surcharge on developed lots referred to in ORS 477.277.

41 (C) The minimum assessment referred to in ORS 477.295.

42 (D) The acreage assessments referred to in ORS 477.880 (2).

43 (b) The increases to taxes, assessments and charges shall be apportioned based upon the
44 proportionate levels of revenues received from each source by the Oregon Forest Land Protection
45 Fund. Any such increases shall be computed on or before January 1 of each year, and shall be based

1 upon revenues received during the previous four quarters. Any such increases shall be made in the
2 appropriate calendar or fiscal year following that in which the requested transfers from the State
3 Treasurer or from other sources are made.

4 **SECTION 16.** ORS 477.775 is amended to read:

5 **477.775. (1) Prior to February 1 of each year, the Emergency Fire Cost Committee and the**
6 **forester shall consult regarding the purchase of emergency fire suppression costs insurance**
7 **and the level of coverage to purchase for the fire season of that year.**

8 **(2) In determining whether the purchase of insurance is advisable, the forester and the**
9 **committee shall consider:**

10 **(a) The cost, coverage and deductible of insurance available from private insurance car-**
11 **riers;**

12 **(b) The funding available for fire suppression from the Oregon Forest Land Protection**
13 **Fund, the Oregon Fire Protection Contingency Fund and other sources;**

14 **(c) The current condition of forests;**

15 **(d) Long-term weather predictions;**

16 **(e) Available fire fighting resources; and**

17 **(f) Available funds for the purchase of insurance.**

18 **(3) If the [Emergency Fire Cost] committee and the forester agree to purchase insurance,**
19 **the forester shall purchase insurance through the Oregon Department of Administrative Services**
20 **to cover any lawful expense incurred by the State [Forester] Forestry Department, or contractors**
21 **or cooperators, that is payable by the Oregon Forest Land Protection Fund. [Such] The insurance**
22 **may be obtained through negotiation or competitive bids, whichever is in the best interest of the**
23 **state, its contractors and cooperators.**

24 **(4) The Oregon Forest Land Protection Fund may not be charged for payment of more**
25 **than one-half of any premium for [such] the insurance [shall be paid from the Oregon Forest Land**
26 **Protection Fund].**

27 **SECTION 17. Notwithstanding any other provision of law, for the biennium ending June**
28 **30, 2005, the amount appropriated to the State Forestry Department out of the General Fund**
29 **for the purpose of protection from fire under section 1, chapter 678, Oregon Laws 2003, as**
30 **modified by Emergency Board action, is increased by \$900,000 for the payment of one-half**
31 **of the cost of catastrophic fire insurance for the period of April 1, 2005, to March 31, 2006.**

32 **SECTION 18. Sections 12 and 13, chapter 685, Oregon Laws 2003, are repealed.**

33 **SECTION 19.** Section 11, chapter 685, Oregon Laws 2003, is amended to read:

34 **Sec. 11. [(1) The amendments to ORS 477.277, 477.281, 477.295 and 477.760 by sections 6, 7, 8 and**
35 **10 of this 2003 Act become operative on January 2, 2006.]**

36 **[(2)] The amendments to ORS 477.755 by section 9, chapter 685, Oregon Laws 2003, and sec-**
37 **tion 13 of this 2005 Act [of this 2003 Act] become operative July 1, [2005] 2007.**

38 **SECTION 20. This 2005 Act being necessary for the immediate preservation of the public**
39 **peace, health and safety, an emergency is declared to exist, and this 2005 Act takes effect**
40 **March 1, 2005.**