

Draft Language for RAC Input on 2/3/22

Fiscal and Economic Impact:

The proposed administrative rules serve two functions, establishment of a wildfire risk map and identify the wildland-urban interface (WUI).

The rules pertaining to the wildfire risk map establish a process that each tax lot in the state of Oregon is assigned 1 of 5 wildfire risk classes. Assignment of high or extreme that is also identified in the geographic area of the WUI, is subject to additional outlined in Senate Bill 762, enrolled during the 2021 legislative session. It is estimated that XXXX properties are within the WUI, XXXX assigned a High wildfire risk class and XXXX as Extreme.

Within the WUI, tax lots assigned a wildfire risk classification of high or extreme will be required to implement defensible space measures on said property, as determined by the Office of the State Fire Marshal in subsequent rulemaking. This requirement may potentially impose a labor requirement on the tax lot owner or require the owner to hire a contractor to complete the work. The specific need and requirements are indeterminate currently and will vary from property to property. Additionally, the designation high and extreme wildfire risk prioritizes funds for wildfire mitigation activities, which may be utilized to assist with the financial burden of defensible space requirements.

Vacant lands within the WUI and assigned a wildfire risk classification of high or extreme will be required to meet wildfire hazard mitigation building code standards compliant with section R327 of the 2021 Oregon Residential Specialty Code. This will be an ongoing impact. The specific costs are undetermined as material costs fluctuate. The National Association of Home Builders has conducted a study estimated that for each \$1000 increase in housing cost, 1,578 people are priced out of the buying market.

For properties outside of the WUI, any designation may have additional indirect impacts, such as an insurer's review of the wildfire risk assignment to a particular property. This impact is undetermined.

Statement of Cost of Compliance:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

These administrative rules will primarily affect the public and small business owners as property owners, who will be regulated through the assignment of wildfire risk class and designation of owning property within the WUI. It is estimated that XXXX tax lots are within the WUI and assigned a wildfire risk class of High or Extreme. These rules do not impose reporting or record keeping requirements. These rules will identify tax lots that may be subject to additional requirements imposed by the Office of the State Fire Marshal and the Department of Consumer and Business Services.

Equity Statement

All property owners within the State of Oregon are subject to these rules. The proposed administrative rules serve two functions, establishment of a wildfire risk map and identify the wildland-urban interface (WUI). The Department has solicited input from organizations representing racial groups.

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There is no current data on how this rule would impact racial equity. These rules to create a map in which areas of known socially and economically vulnerable populations will be overlaid with wildfire risk to identify focus areas. These rules will be utilized to inform future decisions and prioritization.

There are no known adverse consequences regarding racial equity. The map created through these rules may identify priority areas to focus financial resources for wildfire risk mitigation and home hardening.