## House Bill 3331

Sponsored by Representative EVANS

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## **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 **as introduced.** The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act says that a portion of dividends paid by SAIF must be redirected into a fund for disaster preparedness. The Act creates a board to advise on how the fund is used. (Flesch Readability Score: 72.1).

Provides that a percentage of dividends paid by the State Accident Insurance Fund Corporation are redirected to a fund for catastrophic disaster preparedness. Creates an advisory board to advise on expenditures from the fund and on other policy improvements. Directs the advisory board to make recommendations on or before February 1, 2027.

## A BILL FOR AN ACT

2 Relating to catastrophic disaster; creating new provisions; and amending ORS 656.526.

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

**SECTION 1.** ORS 656.526 is amended to read:

656.526. (1) Periodically, the State Accident Insurance Fund Corporation shall determine the total liability existing against the Industrial Accident Fund.

- (2) If, after the determination required by subsection (1) of this section, the State Accident Insurance Fund Corporation finds the Industrial Accident Fund, aside from the reserves deemed actuarially necessary according to recognized insurance principles, contains a surplus, the State Accident Insurance Fund Corporation in its discretion may, after providing for any payments to the state, taxes, payments under subsection (3) of this section or other dispositions of surplus provided by law, declare a dividend to be paid to, or credited to the accounts of, employers who were insured by the State Accident Insurance Fund Corporation during all or part of the period for which the dividend is declared. Any dividend so declared shall give due consideration to the solvency of the Industrial Accident Fund, not be unfairly discriminatory and not be promised in advance of such declaration.
- (3) When the State Accident Insurance Fund Corporation determines that a dividend will be distributed under subsection (2) of this section, the State Accident Insurance Fund Corporation shall pay 10 percent of the total amount available to be paid as dividends to the State Treasurer for deposit in the Oregon Catastrophic Responders Fund established under section 2 of this 2025 Act.
- [(3)] (4) An employer in default when the dividend is declared shall not be eligible to receive payment or the credit provided by subsection (2) of this section.
- SECTION 2. (1) The Oregon Catastrophic Responders Fund is established in the State Treasury, separate and distinct from the General Fund. The Oregon Catastrophic Responders Fund consists of moneys deposited in the fund under ORS 656.526 and moneys appropriated, allocated, deposited or transferred to the fund by the Legislative Assembly or otherwise. Moneys in the fund are continuously appropriated to the Oregon Department of Emergency

**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 Management for the purposes specified in subsection (2) of this section.
  - (2) In consultation with the advisory board established under section 3 of this 2025 Act, the department shall expend moneys in the fund to increase the state's readiness to manage a declaration of catastrophic disaster under Article X-A of the Oregon Constitution.
    - (3) The department may adopt rules necessary for the administration of this section.
    - SECTION 3. (1) The Catastrophic Disaster Advisory Board is created. The board shall:
  - (a) Advise the Oregon Department of Emergency Management on expenditures from the Oregon Catastrophic Responders Fund established under section 2 of this 2025 Act; and
  - (b) Study and make recommendations to the Legislative Assembly regarding sustainability and emergency management policy improvements.
  - (2) The board consists of up to 15 members appointed by the Governor, subject to confirmation by the Senate pursuant to Article III, section 4, of the Oregon Constitution.
  - (3) A majority of the members of the board constitutes a quorum for the transaction of business.
  - (4) Official action by the board requires the approval of a majority of the members of the board.
    - (5) The board shall elect one of its members to serve as chairperson.
  - (6) The board shall meet at times and places specified by the call of the chairperson or of a majority of the members of the board.
    - (7) The board may adopt rules necessary for the operation of the board.
    - (8) The office of the Governor shall provide staff support to the board.
  - (9) Members of the board are not entitled to compensation or reimbursement for expenses and serve as volunteers on the board.
  - (10) All agencies of state government, as defined in ORS 174.111, are directed to assist the board in the performance of the duties of the board and, to the extent permitted by laws relating to confidentiality, to furnish information and advice the members of the board consider necessary to perform their duties.
  - <u>SECTION 4.</u> The Catastrophic Disaster Advisory Board shall make its first recommendations to the Legislative Assembly under section 3 (1)(b) of this 2025 Act on or before February 1, 2027.