The 2024 Wildfire Funding Proposal: Getting the Story Right

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Elizabeth Steiner: This is important to me as chair of the budget committee because it's critically important to the long-term well-being of our state. I am an Oregonian first. I ran for the legislature to take care of the health of Oregonians. Fire impact the health of Oregonians in every corner of our state. And I'm doing this because I believe that this is an all Oregon problem and I serve as budgeteer and as a family physician thinking about the entire state.

Chris Edwards: Welcome to Forestry Smart Policy, a podcast produced by the Oregon Forest Industries Council for Policy Makers and other thought leaders influencing decisions in Oregon. I'm Chris Edwards, your host and president of OFIC. Those of you who follow forest policy in the Oregon legislature are going to like this one. In this episode, I talk with Senator Elizabeth Steiner and OFIC's director of forest protection, Kyle Williams. Senator Steiner has been in the Oregon Senate for over 12 years, representing Northwest Portland and Beaverton. As a Senate co-chair of the full Ways and Means Committee since 2018, and again, that's the state's budget committee. She is an expert on the state's budget and budgeting process. She also has an MD from the University of Massachusetts and has 35 years of experience as a family physician. We invited Senator Steiner to the podcast to discuss a work group she convened that Kyle participated in after the end of the 2023 legislative session. The work group had the task of exploring ways to address a wildfire funding challenge and resulted in a concept that will be put forward as a bill for consideration in the upcoming February 2024 legislative session. Toward the end of the episode, it gets a little bit spicy as a senator addresses sensational and inaccurate reporting about the work group by the media. Without further delay, here's my discussion with Kyle Williams and Senator Elizabeth Steiner.

All right, we are here on the Forestry Smart Policy podcast and today is a little bit different episode than some that we've had in the past because for the for the first time ever on the Forestry Smart Policy Podcast, we have a bonafide elected official, not just any elected official, but a state senator, co-chair of Ways and Means, Senator Elizabeth Steiner. Thanks for being a guest today on the podcast.

Elizabeth Steiner: I really appreciate the invitation. It's great to talk with you, Chris.

Chris Edwards: Also, we've got Kyle Williams from OFIC, the director of forest protection. Kyle.

Kyle Williams: Morning, Chris. Morning, Senator. Thanks for putting this together.

Chris Edwards: And I suppose I should disclose right now that we're not live in the studio. and it probably won't sound like we're live in the studio cuz as the ice storm has made it necessary, we are doing this remote via electronic communications. So the the reason we wanted to have you on, Senator, is to talk a little bit about the bill that you're bringing pertaining to wildfire funding to the 2024 short legislative session and the process that you went through to develop that bill. And then there's been some some media reporting as of late about the bill that has kind of not been totally accurate.

Elizabeth Steiner: I would agree.

Chris Edwards: I think we would agree that it's attempted to portray portray the effort in in an unfair light and is just really misinterpreted whether accidental or intentionally uh misinterpreted and is frankly misinforming Oregon voters. So we wanted to talk a little bit about that. But before we get into that, I think it'd be worthwhile to rewind. In a 2023 legislative session, wildfire funding, as it always is, was a hot topic. Kyle and Senator Steiner, u I'll just let the two of you talk a little bit about about that history that led us to this point.

Elizabeth Steiner: Sure. Kyle, do you want to start or do you want me to start with 19 and 21 and then you can talk about 23?

Kyle Williams: Yeah, go ahead. I because I think I think uh that'd be that'd be really good to get that context from you and and and your perspective on how this all sort of set itself up to get where we are.

Elizabeth Steiner: Sure. Absolutely. So, I think the first thing that's important to understand is that Oregon is known nationally for having one of the most robust comprehensive forest firefighting systems in the nation. And everybody who's been involved with that for decades deserves a lot of credit for creating that system and paying for that system. whether as an individual land owner as part of the harvest tax or as a state through general fund. The second thing is the system is unbelievably complex. That's not transparent. That's not good governance and it's not fair to the people paying into the system because they don't really understand how their their payments are being used. And so that was part of the problem. Also, it's also not sustainable. the cost of fighting fire has gone up exponentially and the amount of fire in the state has gone up dramatically over the past decade. So, we had to figure out a sustainable funding structure for wildfire in the state. And that was the subject of a bill in 2019 that required the Department of Forestry to contract with an outside entity, which they did with Earth Economics, to come up with an a clear statement of how we're currently paying for all of this and what some other states are doing and what the strategies are for revamping how we do this and creating a sustainable funding stream. Department

of Forestry did that. They contracted with earth economics and earth economics put forward a 100page report which I will freely admit geek that I am I have read carefully twice because to really understand this you have to look through things like that very carefully and have lots of conversations with experts. The next thing that happened was that in 2021 the legislature passed Senate Bill 762 which was a big wildfire overhaul bill. Part of the many components of that bill was a one-time $15 million allocation to offset landowner per acre rates that they pay as part of being in fire protection districts across the state. The fire protection districts are the ones that affiliated. It covers about 16 million acres. I know I'm not telling your listeners anything they don't already know, but it's important for context. So, ODF has under its protection approximately a quarter of the acreage in Oregon at 16 million acres. That offset was clearly stated as being one time only because it was one time only. Despite advocacy that I know Kyle and others can talk about better than I, we didn't include that in the budget in the 2023 25 bianial budget that we were working on during the 23 session. And that's what triggered all this work. And Kyle, I'd appreciate your thoughts now about your piece of this coming up till now.

Kyle Williams: Yeah, that's that's perfect level setting actually. And then so I think the next question somebody might ask is why is OFIC so intimately wrapped around all these conversations, right? And it goes back actually further than I think people would imagine. The way the protection system originally was created was by Oregon's private land owners over a hundred years ago, almost 108 years ago. And one of those founding entities was the Oregon Forest Protective Association. That means is that the land owners writ large beyond the OFIC membership are engaged productively in terms of making sure that the state has the resources, the equipment and the help from the private land owners uh that they need to make sure that the system is as strong as it currently is. And again, you know, that envy of the nation. No other state, almost no other government agency can say, "Yeah, when our emergency hits, we've got a whole bunch of private citizen land owners with that are trained and have the skills and have the equipment to come help us address it." Oregon does because of the roots of the OFPA and because of our continued active engagement. And so what happens is we get invited to a lot of these conversations because we were founding members of how all of this complicated system came to be, right? So we understand why that hook was was done in that spot or why that take was given over there right as you're starting to put this uh jigsaw puzzle together. And so going back again to 2019 and previously uh our previous governor had put together a really big wildfire programs advisory council and it was this multifaceted approach and tons of stakeholders and they came up with a a long list of recommendations about how the state should address their wildfire problem as it had been growing significantly since about 2012 and this is pre-Labor Day event right and so recognition that we've got a significant uh threat on our hands and so

among that that long list of recommendations. One of them was ODF needs more resources in order to address the future threat uh from climate change and increasing risk and all that kind of stuff. And as part of that and I I was on the one of the committees that did this work, part of that was we need to get the stuff and we need to figure out how to create stable funding mechanism for the department as we move forward. And it's always easier to get the stuff and then the conversation about funding is much harder as we're seeing right now, right? And so fast forward to 21 23 that Senate Bill 762 created the most significant investment of personnel and equipment into the agency that they have had in almost their entire existence. Certainly in the last 30 to 40 years. That doesn't come without right having that time to pay the piper conversation. And it was at the time uh Senator Steiner and and the other legislators said, "Well, we're going to put $15 million in here to offset those increased costs to land owners." And as the senator can probably attest, there are so many competing priorities in that building that how are we going to fund firefighting as even though it's very important and clearly a priority to folks maybe listening to this, it doesn't maybe necessarily hit the top of the to-do list, uh when you compare it to the other crises that this state is is dealing with, right? And so uh we go through that bianium, we come at the end of it and we're like, "Hey, we still haven't come up with the solution. We're desperately needing you to continue to provide those general funds so that the rates don't go up on order of in some cases over 40% in places that uh frankly don't have the ability to make that money off their ground and pay those kind of rates. And so we got to the end, folks from all over the state of all different backgrounds and industries and you name it. And those folks came and said, 'Look, if this continues the way it's going, our lands will not be able to bear the cost any longer, and we're going to have to do something different. Either pull out of the system, I heard a land owner in Eastern Oregon say, "I wish my trees would burn up so that I could just raise cows on it, and at least that pays my bills. Those trees don't pay my bills." I mean, that's dangerous, right? as we start thinking about the holistic picture of Oregon and what's good for us and what's right for us when you've got people when trees are a liability we we really need to hit the pause button and go okay we've got to do something different here right and so that that whole thing that cabal of of pressure and conversations and we desperately need help led to the senator picking up that torch after the session and from our perspective that's how we got here.

Elizabeth Steiner: I I think if I could add one more thing Chris, before you chime in again, it's important for people to understand, although this is a forestry podcast, that a significant percentage of the lands that are covered are not forest lands. They're grazing lands. This these for fire protection districts cover grazing lands and timberland. And that's important because the economic return on timberland, I mean, on grazing land, excuse me, is not the same even if you're raising cattle on it. and grazing land have become less

productive over time because in an effort I think reasonably to protect sage grass habitat and other important ecosystem issues out in eastern Oregon ranchers out there who are grazing cattle or sheep out there have to rotate their herds a lot more often because otherwise the sage brush gets eaten down too much and it doesn't give the sage grass its protection right so for example working with Mark Bennett who was a former chair of the wildfire programs advisory council that Kyle mentioned. I was out there in eastern Oregon in Baker and Malhir counties looking at the lands and he could show me the difference between land that had been overg grazed and land that was being grazed appropriately and you can see why that makes a difference. But what that means is you have to have a lot more acreage to run the same head of cattle. In addition to the rates going up, the productivity of the land is going down at the same time, which means it's less economically valuable and yet you're paying more to protect it. Mark showed me a plot that he has that's not huge. It's maybe 20 25 acres of land that's burned down. It's timber and he it's burned twice in the past 15 years. Yeah. And so, you know, you have a few scraggly trees on it, but the rest of it and yet it's still classified as timberland and he pays the higher rate on it, the Timberland rate on it.

Kyle Williams: Every year you still have to pay your fire bill every year.

Elizabeth Steiner: Yep. Exactly. So, I think that all of that context points out why this is such a critically important issue for us to have taken on.

Chris Edwards: I agree. And uh before we move the conversation forward, uh I'll point listeners if they want more of this background about where fires, how fires are starting, where they come from, acres burned on different protection jurisdictions, they can go back to the very first episode of the podcast where Kyle and I sat down and had a conversation about that. And then the second episode was a discussion about the funding system. So, those are resources for people that are interested in learning more about the background. Uh, but before we move on, Kyle, could you maybe say a few words about where fires are starting and where acres are burning because it really informs private land owners view uh of of the system.

Kyle Williams: Yeah, that's good, Chris. And I'll go back to something the senator mentioned that the Department of Forestry protects roughly 16 million acres across the state. and you're going, "Wait a minute, there's 64 million acres in the entire state of regon." And so, ODF and that's just a portion of it. And those are generally the private lands, uh, state lands, and some BLM lands on the west side that ODF protects. Okay? And then about 16 million more acres are protected by the US Forest Service. And, and we think of those 32 million acres as generally the forested landscape of Oregon. So, where are the fires that people are choking on every summer? Well, largely and over 80% of the acres

burned are on those 16 million acres protected by the federal agencies. And so 20% acres burned are now happening on that ODF protected land. And that's after the Labor Day fires, right? Where you add all that acreage and fire that just went everywhere. And I I make the comment you could have burned a glacier in that event. And so over 80% again are happening on those federally protected acres. And I think that's significant when people think about, well, you know, those private timberland owners, they ought to be paying, you know, it's their it's their problem. It's well, it's actually it's our neighbors generally that are having the fires and they're coming across the property line and then burning down into our into our our lands and into the communities. And and so I think that's important context. When you drill down even further to kind of the causation, the timberland owners across the state are responsible for less than 5% of the starts that ODF responds to and less than 1% of the acres burned that ODF is is protecting. And so you really start to winnow down, you know, wait a minute, where is our problem actually at? And it's generally on those on those acres that that uh ODF um is adjacent to.

Chris Edwards: So, with that, we're moving through the 2023 legislative session. $15 million. Land owners uh are advocating for $15 million to be put into the budget to offset those those cost increases that were driven by Senate Bill 762 in the 2021 session. And so, from your perspective, what happened at the end of the 2023 session?

Elizabeth Steiner: It's a good question and I think it's a multiffactorial problem that we were dealing with. The first is that several of the components that go toward paying into this system had not changed since 2007. So at that point it was 16 years or eight biania where those had not gone up. And I can tell you having been a budget geek my entire time in the legislature and I'm in my 13th year now the issue comes up over and o every single bienium it comes up about how much land owners are paying how much the harvest tax is paying into fire all those kinds of questions none of those numbers you know the minimum lot which you're your listeners I think are aware of the search charge for lots that are have improved structures on them and the portion of the harvest tax that goes towards Fighting fire had increased since 2007. And as Kyle mentioned earlier, there are always competing priorities for funding. And even though our budget is enormous, every penny counts. And as co-chair of the budget committee, I care a lot about making sure we get maximum benefit from every dollar. And fighting fire is certainly important. and making sure that people who benefit from what we're doing are paying into the system is also important are paying fairly into the system. The third piece I would mention is that or maybe it's only the second but there is a problem in our budget system which is a generic problem which is that once something gets into the budget as quote unquote one-time funding people assume it's going to come back again over and over and over again. And it's something that I've been fighting against hard in general, not specifically on this issue, but in general in my time both

as a budget subcommittee chair, co-chair and as co-chair of the full joint committee on ways and means, which is really, you know, 11 of the past 12 years I've been in one of those roles. I find it problematic when things go in as one-time funding and then people assume they're going to continue. And so no matter how much we understood the plight of certain land owners, in particular our Eastern Oregon land owners, and yet we couldn't see our way clear towards renewing this one-time funding. So that's where we were in June of 2023. And we also had the challenge that we were working under enormous pressure because some of our colleagues had walked out and had been out for weeks by the beginning of June. and we were stuck and we didn't know what was going to happen with the session and we didn't know if we were actually going to get them back to the table so that we could move forward and have a quorum to move budgets. We were in a really tough place and we were moving there were a lot of moving parts moving really quickly. We didn't know. Senator Finley, who represents almost a third of the state, right? And he's from Vale out in Malhir County and who with whom I have a very good working relationship, approached me directly about this issue and said, you know, his district was really being hit hard by this problem because the board of forestry by that point had come up with their preliminary rate setting for fiscal year 24, which was going to show up on people's property tax bills in November of 23. So, that's a problem, right? And he articulated this and how much the rates had gone up. And I explained my perspective on this, you know, that I just explained to you guys. And he said, "I really need you to work on this. You're somebody that people trust," which I was honored by, and I need you to do some work. And I said, "Listen, I'm willing to do that if we can get a group of land owners who who pay into the system, who are willing to come to the table in good faith and who are willing to keep this focus just on budget cuz that's my area of expertise. I do not claim expertise on natural resources stuff or timber or forestry or grazing land or any of those things. I'm a budget person." So I said, 'L if we can get people together, I will run a work group with help from the governor's team and we'll talk about their contributions in a sec, which were amazing. Then we can see if we can figure something out between now and the 24th session. And if we can get everybody to chip in something, then we'll see if there's a little more general fund to help with this. And that's where we started because he trusted me because I am a woman of my word to do that in good faith. And that's where how we started with this. So, do you want me to go ahead now and talk a little bit more about where we went from there or do you want.

Chris Edwards: Yeah, I think that would be good, Senator, but before you do, I think it's okay to to talk a little bit about our perhaps differing perspectives on this. I mean, you mentioned the legislaturator's and your own unwillingness to continue to inject $15 million every bienium to offset those rate increases. And so there's an unwillingness on the part of the majority in the legislature to do that. And there's and there's been an unwillingness on

the part of land owners to restructure the system without a really a fair look at understanding the system, right? Because, you know, if we're honest, there are members of the majority caucuses that really like really want to stick it to the industry. I very little to do with fire protection. It has more to do with a philosophical disagreement about actively managing land.

Elizabeth Steiner: I don't disagree with you in the slightest and I and I think that was one of the reasons I knowing that history it was one of the reasons that I said look if I'm going to take this on we are sticking to budget we're only looking at the money piece of this because I knew that one of the reasons these conversations had imploded time and time and time again is because they got too broad. They talked about policy, about forest management policy, about timber policy, about all sorts of things that are important conversations to have that I actually in my caucus probably fall more toward the centrist side of this of trying to find a balance because I've always been a believer in the truth lies somewhere in between. And yet we do have some pretty loud voices um in both the House and the Senate who as you point out are uncomfortable with where we're going right now with active forest management, with timber harvest, etc., etc., etc. I wanted to stay for this conversation agnostic on that issue. I want to say, let's just say the policy is what it is right now. Given that, how do we pay for it? And I thought that this is one of the rare cases where we could be less emotional about money because people are more emotional about the policy. And I wanted to keep it in a dollars and cents format to say, look, this is what we're paying for. These are the people paying into the system. This is how much the general fund is. And I wanted everybody to really dig in to understand the complexity of the system, to understand how it's paid for, to not get distracted by the policy pieces. And that's why I took the approach I did.

Chris Edwards: And so that led us to uh summer of 2023, you kicked off a work group.

Elizabeth Steiner: I did. So legislative session ended on Sunday, June 25th. On Monday, June 26th, I did not take a day off. I had a long meeting with Doug Graph, who is formerly of the Department of Forestry. And your listeners, I think, know Doug well. He has an enormously positive reputation in this state. He's been deeply involved with wildfire issues in this state for decades and he is now the governor's um wildfire and military policy adviser, right? And he has he has a statewide role on all these issues. In addition to talking with him, bringing him, we brought in Jeff Huntington, who's one of the governor's senior natural resources policy adviserss, because we wanted to be sure that even though we weren't going to focus on the policy side, per se, we it was important to have this other person there because of Jeff's extensive history, and some of your listeners may know that Jeff was the chief of staff for the dean of the school of forestry at OSU for many years and

has his own extensive background. So I sat down with the two of them. We met for an hour, hour and a half on June 26th of last year and talked through who ought to be at the table for the conversation. And the three of us agreed that since it's landowners who are paying into the system, we ought to have representatives of all the different kinds of land owners who pay in. We also needed to have representatives of the three major statutory groups. um the wildfire programs advisory council, the board of forestry and the emergency fire cost council, the heads of those three groups involved because they themselves are land owners and also they represent important entities that are engaged in these conversations as we've discussed. So Doug and Jeff because they have and I was very clear with everybody from the get-go. I am not the expert on the policy piece of this. I am never going to claim that. I'm a budget person. And I said to them, look, you guys know the players in this world way better than I do. You know what kinds of lanners we need to talk about. You know who the people are. You know who's going to be willing to come to the table in good faith. I asked them to go think about how do you categorize all these people? How big a work group we really need to have? because we wanted to find that sweet spot where we had broad enough representation but a small enough group that we could really have robust conversations and people could really trust that everybody else was at the table. So we met again in July, had another long conversation and brainstormed through who those people might be. And between Doug and me, we started calling around and talking to people. Kyle, you and I had a long conversation about this. And the question that I asked each and every one of them was, are you willing to come to the table in good faith? Are you willing to come to the table with an open mind and respect the fact that we have a very delicate balancing act to move forward here? And sometime and the chances are each and every one of you is going to have to give something. The legislature is going to have to give something, but that's only going to happen if each and every entity here gives something. And we're trying to balance a wide range of competing needs here. There is no perfect solution to a person. Everybody we talked to either said, "I'm not the right person because I don't represent these people well enough. Here's the person you need to talk to. Not because I'm not willing to come to the table in good faith. I would, but because this person is a better representative," and then I talked to that person or they said, "Absolutely, we will come to the table in good faith." The other thing that happened was in talking with Doug and Jeff. Jeff was able to find funding from the governor's team to bring in Robin Harkas from Oregon Consensus. And many of your listeners may know Robin because she has extraordinary experience in the natural resources sphere. And she's built a strong reputation as Oregon Consensus has as a whole of being a fair broker, of being a fair neutral facilitator on these issues. And so it was terrific to have Robin be part of this team with Doug and Jeff and me to lead this group as neutral conveners, technical adviserss, Doug and Jeff sort of technical advisory roles, Robin as a facilitator and me as a convenor to bring

everybody together. And we had our first group meeting in August just to introduce ourselves and say what we thought was working well with the system, what we thought the major problems were, and if people had one idea about something we might think about to help move the conversation forward. And from there on, we started right after Labor Day, we started meeting every two weeks. And we've done that consistently ever since. So we've had, I don't know, 10 meetings now, Kyle, maybe.

Kyle Williams: Um, yeah, 11 a lot.

Elizabeth Steiner: Two and a half hours each, plus a lot of side conversations. For example, Brennan Gerels from the Emergency Fire Cost Council has been doing extraordinary work along with Nancy Hirs to think about what the role of the EFCC will be moving forward and how they're going to stay engaged so that land owners have a voice in all of this, which is really important. I don't know how. And then, you know, Doug and Robin and I met on the off weeks uh to do planning and think things through. If I had to guess,just on the formal meeting side, I personally have probably put in I don't know 75 or 100 hours at least.

Kyle Williams: Yeah.

Elizabeth Steiner: And each workg group member has done if not half of that even more on the outside. So people have really invested enormous amounts of time and energy. In fact, I fibbed. It's probably more like 150 or 200 for me now that I think about it. So that's kind of how we got the process piece. And and the one other thing I would add is this. There's been a question about why were was a broader group of people not at the table, people other people who might be affected by some of these decisions. When we started, we were focused on the people who were paying into the system because they were the people that those were the entities that we needed to step up and give a little bit so that the state would also give a little bit in terms of general fund because that was the deal I agreed on with Senator Finley. If we come to the table in good faith, everybody gives a little bit of something, then this is how we'll move forward and we'll find a sweet spot here. But we focused on the land owners for this particular group because they were the ones paying into the system. Yeah. Uh what did I leave out?

Kyle Williams: Well, I just I think there's a little bit to add in terms of the thoughtfulness of that membership. You mentioned that it was a group of folks that, you know, we we refer to it as had skin in the game, right? It was the membership was paying folks that paid fire bills and had something to lose if this doesn't if this doesn't turn out right. And so super motivated to be productive and helpful in the conversation and get uncomfortable and then be willing to move past some of those points of discomfort. And we had a rancher from

Eastern Oregon who has extensive acres over there and experience living in that landscape both in an ODF district and outside of one. Right. We had another member uh who was another rancher in Eastern Oregon whose neighbors had frequently expressed dis you know this can't keep going. We can't keep paying. So they were there motivated to try and help for their neighbors. Right. We had a different varieties of timberland owners, right? And so we had an eastern Oregon timberland owner who has a very different perspective than the warehouser on the west side uh timberland owner, but warehouser has experience from the California border to the Colombia River on the west side. And that's a way different experience as you go across there, right? I myself was there and you would again think just industrial timber, but I I represent the Oregon Forest Protective Association. half of them are not even OFIC members. And so I was there to give all of the protective associations around the state. There's 12 of them. I was there to give them a voice. Uh because I do that. I spent 6 weeks a year on the road listening and talking and helping these people be successful. And so I was there to to to be their voice. We had a member of a county forest, right? Someone who is paying the bills for a county forest. And those are different than a private landowner experience. Tribal representative. I mean, you name it. if there's somebody that pays into this system that cares about it, they were in that room. And that was intentional and it was unique and it was to me the most productive conversation I'd ever been a part of in this universe because we could be uncomfortable and we could try and be creative and and we could think through some things that previously had been uh taboo in in other in other places. So just I wanted to make sure we understood who was in that room and why.

Elizabeth Steiner: The last entity that you didn't point out, Kyle, it's really important is the conservation community because we had the Nature Conservancy, which is a major land owner in this state at the table also because they do pay into this system like anybody else and they are not using their land for economic gain, right? They are not thinking about how productive their land is in terms of grazing or timber. They are thinking about protecting their land for a whole variety of different reasons. So, it was very but they are a major land owner in this state. they do pay into the system and they bring a different perspective. So I just want to add that one last entity to the conversation in case people thought where was the conservation community in all this and the answer is they were at the table also because they pay into the system also.

Kyle Williams: And small woodland owners I I left that part out them out of the list too.

Elizabeth Steiner: Absolutely. the small wood lot owners were Oswa as an organization the organs small wood lots association as an organization was there and their me you know the people who are at the table were themselves small wood lot owners.

Chris Edwards: So as the as the effort went forward and you got to a point where it was you've got bill drafting deadlines that are forthcoming and you need to start putting something on paper and from your perspective Senator I mean, I know we had our perspective, you know, Kyle would I wasn't in those meetings. Kyle would report back and say, "Well, here's kind of what we're thinking and uh and it was it was hard to see. I mean, you know, it was hard to see how you were going to come up with a with a solution, honestly." And I I know Kyle and I had this conversation. I said, "You guys aren't going to come up with anything." But but what I appreciate and what I had I think was discounting in my mind as I thought through it was that these efforts haven't been led by a legislator ever before that actually under has done the the homework to understand the system. And I can say with 1,000% confidence that Senator Elizabeth Steiner is the only legislator, I mean the only legislator that actually understands the wildfire funding system in the Oregon capital. And it's and unless you're doing major reforms, legislators, you know, as you know, legislators are generalists, you know, and they rely on stakeholders to report, you know, what's working, what's not working. They rely on reports from government agencies and you sort of at a very high level synthesizing all the information and then making decisions. But if you're overhauling the system or wanting to make a drastic change that's fraught with potential political tension, then you really have to do the homework to to understand that. And so we appreciate that you actually did that homework and we wish that some other legislators would uh do that homework as well.

Elizabeth Steiner: That's kind of you. But I I would just say this. I absolutely understand the system a heck of a lot better than I did last June. And everything I understand now is thanks in large part to Doug Graph and Jeff Huntington and the members of this work group who have educated me tremendously who have I mean Doug gave me a ton of reading homework to do. I mentioned I read this earth economics thing. Um there's a whole bunch there's a Pew report, Pew Charitable Trust report on wildfire funding and how it's done in other states. I have a reading list about as long as your arm of background stuff that Doug was able to send me and Jeff were able to send me. Um, I listened to your first two podcast episodes that you've referenced because you guys kindly sent me those and I learned from that. I went back and listened to the whole OPB Timber Wars series because I thought that was important context for all this because as much as I said that I wanted us to focus on budget, I knew that the emotional questions were going to come in on the edges and I wanted to make sure that I understood this from as broad a perspective as possible. And this is a, as I said at the very beginning of our conversation, this is one of the most complex systems of funding out there. And if we didn't really dig in as individuals and as a team, there was no way we could come up with a solution that tried to balance a bunch of competing interests. And so if I was going to have any credibility with the group, I needed to

do my homework and I needed to be educated by people who'd been living in this world a lot longer than I have. Not on the policy side, but simply on the money side because it's kind of a spaghetti bowl.

Chris Edwards: Yeah, and I and I will I will agree that it is a complex system. I will also hearken back to words spoken by a now infamous US senator regarding tax code. You can have simple or you can have fair, but you cannot have both.

Elizabeth Steiner: I would agree.

Chris Edwards: I would argue that it is it is a complex system because the stakeholders in the system developed it over time and sought to achieve fairness,

Elizabeth Steiner: Right? And this is a point that came up over and over again in our group. For example, you can talk about as we have so far on in our conversation, you can talk about timberland in southern Oregon versus Timberland in northeast Oregon, in southwest Oregon versus northeast Oregon. Those are two entirely different kinds of timberland. And you can make an argument that we ought to incorporate some understanding of the economic productivity of those lands or the potent economic potential of those lands. Well, historically, we might have said, "Oh, those southern Oregon lands are much more productive because it's wetter down there. The climate's milder. Trees are going to grow faster." And historically they did. Those lands are now burning. Eastern Oregon, historically, we might have said those lands are less productive because it's drier, it's colder in the winter, it's hotter in the summer, the climate, it's higher elevation, less oxygen, whatever, right? I mean, all those things that play into how fast trees grow and that's shifting. So, trying to take into consideration economic productivity, which might be much more fair, becomes incredibly complex. So it is constantly a balancing act between those two goals of having it transparent, of having it be simple, having it be straightforward and having it be as equitable as possible. And that was a constant tension in the group. And the great thing was we were able to be very explicit about that. Someone would throw an idea out there and we would say, "Okay, how does this meet the goal?" And one of the things the group did very early on was come up with three overarching principles that were very important to us to try to address this. The first is how do we decomplexify the system which I don't also don't know if is a word but it worked in this context. How do we we can

Chris Edwards: we can trademark it right here?

Elizabeth Steiner: I'm I'm good with that. I've been using it now for almost a year and I really like it and I think it's really important.

Chris Edwards: Uh, it's it's right up there with being the decider, which as it turns out is a word. I looked it up. It is a It is a word.

Elizabeth Steiner: It's kind of like irregardless, which it turns out is also a word. Yeah. Which we didn't think it was, but it turns out it is. Um, regardless, we wanted to decomplexify the system. We wanted it to be more transparent. We wanted it to reflect the fact that wildfire is no longer just an issue for the people who own the lands that it primarily affects, but it's an all Oregon problem. Um, I'm an urban dweller, right? I live in a very urban area of Portland. And yet, when those 2020 fires hit, I was stuck indoors like many people for 5 days because I couldn't go outside because the air quality was so bad. I literally could not see across the street, the building across the street from me because the smoke was so bad in northwest Portland, which was miles, tens of miles from the nearest fire. It's an issue for the vineyard owners whose crops get ruined by smoke cuz we saw what happened to the wine industry after the Labor Day fires cuz crops were ruined. It's an issue for the kids. Brennan made the point at one point during the workg group that he couldn't go out and coach his kids' soccer team because the air quality was too bad and the kids couldn't be outdoors. Had nothing to do with him as a Timberland owner. Everything to do with the fact that he's a father of kids who should not be outside when the air quality was as bad as it is from a fire that was 100 miles away. So wildfire, the second principle was really wildfire was is a statewide problem. So we got to make it less complex, decomplexify it. We have to make it more transparent and equitable and so people understand. And we have to acknowledge the fact that wildfire is not solely the province of the people whose lands are directly affected, but in fact the province of every single Oregonian. And those were the three principles that we used. And every time we came up with an idea, we said, "How does this meet those principles?" And having that as our guide was super helpful, I think. Kyle, do you do you agree?

Kyle Williams: Yeah, totally.

Elizabeth Steiner: And that made it much easier for us to evaluate. And in fact, there was a time in fact when we asked each member. We gave them a worksheet to do and said, make a proposal, put forward an idea, and answer how it meets each of these three principles. And if it doesn't meet at least two of the three, we're not even going to consider it.

Kyle Williams: And that gave us and there was a lot that came out of that and using that filter really honed the direction the group wanted to go.

Elizabeth Steiner: Exactly. And that was another way that kept us from being too emotional about it. Yeah. Um because when we had principles we'd all agree on and we could check the proposals against those principles, it made it more objective at that point. So that was super helpful.

Chris Edwards: Also, I think it's worth noting that that the members of your work group that were working in good faith to come up with a proposal that they would that they thought would fly for people that they represent and also fly for people that are sitting across the table for them and the people that they represent are doing so in good faith. uh but don't exactly know how it's going to land once the final proposal comes out and everybody then goes back to the stakeholders that they're representing. Kyle repres, you know, was representing industrial forest land owners across the state who have very diverse um right models and interests and perspectives and risks. Yep. and uh and returns. So, and then you have of course small forest land owners and the public forest land owners and the nature conserancy. Everybody had to go back to their corners and say, "Okay, you know, how's this does this work for us or does it not?"

Elizabeth Steiner: And one of the people I mean I I keep circling back to this, but I cannot emphasize how critically important Doug Graph was in all of these conversations. Doug is just steeped in these issues and he knows them inside out, upside down, and backwards. and he's wicked smart. He and I are both from the Boston area, so I get to throw the wicked in there. Um, uh, he's wicked smart. He's wicked hardworking. And he would come back time and time again and rework numbers and show them to us because people need to see what the numbers really look like. Okay, if we do this, what does this do to the equation? Where does this get us? If we do this, what does it do to the average rate per acre of grazing land or acre of timberland? Average. because there are nine protection districts across the state. The rates are different in every single one of them. And so we couldn't say exactly what was going to happen in every single district. That would get too complex. But at least we could look at the averages. And so Doug was the one who was willing to go back time and time and time again and do a whole bunch of math to figure this all out and to present it in a way that the workg group members could look at it and see okay if we make this change this is what's going to happen. If we make that change that's what's going to happen and that was super helpful for all of us too because it wasn't abstract it was very concrete as we started to play with different proposals.

Chris Edwards: So perhaps you could take a few minutes and walk us through some of the particulars of the proposal.

Elizabeth Steiner: Sure. Sure. I want to say from starters that there was a piece of the proposal that we thought was a really good idea that's not going to move forward in the 24 session. And I'd like to talk about that first briefly and then I'm going to talk about the pieces that we are going to move forward. One of the ways that we wanted to articulate clearly to demonstrate that this is an all Oregon problem is the idea that we would put a $10 fee on every single property tax account in the state. Now, is that simple? Yes, it's super simple.

It's a flat fee. It goes on every single property tax account. It's very easy to administer and it's very transparent. Is it equitable and fair? You could make a pretty compelling argument. Not. The example I used a lot is, as I mentioned, I live in a very urban area of downtown Portland. I live in a condo building. Every single unit in that building pays property taxes. So, there's 123 units. There's going to be 123 PE entities paying $10 per property tax account. Right across the street from me is a 200 unit apartment building that's rentals. They would pay one $10 fee for those 200 units. So, it is not 100% fair, quote unquote, but it is simple. Gets back to that conversation we had earlier. And many entities in your membership have thousands of property tax accounts because of how they acquired land over over time. Some of our members in Eastern Oregon have 15 or 20 property tax accounts because of how their land was put together over time. So, they would pay that $10 fee multiple times, many multiple times. And again, transparent, simple, straightforward, all of those things. Equitable plus minus. We thought that was a very fair way to bring in a significant amount of revenue that would have generated somewhere between 35 and $40 million of bienium because there are just shy of 2 million property tax accounts in the state. So that money could have been used to offset severity and ultimately we decided it would be split between the fire marshall for mobilization for confilgrations and the department of forestry for severity right for their fund for severity and between two mitigation funds that have previously been set up. the landscape resiliency fund and the community resiliency fund. One of which lives with the fire marshall and one of which lives in ODF. So it would be split up. So roughly $10 million for each of those pots per benium. We thought that was innovative. It was reasonable to consider the fact that all of us are paying into this system. It was relatively straightforward and it was pretty transparent with and very importantly it would provide ongoing sustainable funding for mitigation which is clearly has to be part of this conversation. We can never I mean I'm a family doctor right? I'm all about prevention. The way we're going to fix or at least start to mitigate our incredible forest fire problem is by appropriately managing and mitigating risk. And whether that's to individual homeowners by helping them create defensible space around their homes or whether that's in public lands of various kinds where we work with our BLM partners or with other land owners to do what many of your members already do which is active management of their forest with thinning with getting rid of understory with getting rid of fuels. All those things require investment and this would have created that ultimately for a wide range of reasons. We had to drop that piece. It was too complicated and too new an idea to socialize well and get through in a short session because remember they're 35 days.

Chris Edwards: Point of information, I believe you said there are 2 million property tax accounts and each would pay $10 and then you said that's 35 to $40 million.

Elizabeth Steiner: A bianium.

Chris Edwards: So per bananium. Thank you.

Elizabeth Steiner: Bianium. Bianium. Thank you. Thanks for clarifying. The math works,

right? It's always it's always a challenge to think about this on a per year basis or a per bianium basis. So, thanks for clarifying that Chris. So, that piece got dropped. The three financial pieces that are going forward are related to the minimum lot charge, the sir charge, and the portion of the harvest tax that goes towards fighting fire. We are indexing forward from 2007 to 2024 the minimum lot charge which gets us to 2750. The sir charge which gets us to a number that I can't remember off hand but something like

Kyle Williams: Around 69 I think .

Elizabeth Steiner: Around 69 and the harvest tax were actually with your guys's agreement which we really appreciate we're increasing a little bit above that inflation. inflation would have taken it to 92 cents per thousand board feet. We're taking it to a dollar per thousand board feet. And going forward, all three of those fees will be indexed on an ongoing basis to CPI, right, to the consumer price index for the western region, which is our standard inflation rate that we use for things like minimum wage. so that we don't end up in this bind again where we have to increase things dramatically after a long period of them being stable which is hard on people I think if you suddenly have been paying this and the amount goes up by 50% overnight or more than 50% overnight we don't want that to happen so those are the financial pieces I mean there will have to be another general fund contribution the exact amount we're still playing with but there will be a real multi-million dollar general fund increase to help balance the system out and offset some of the landowner rates, a portion of the land owner rates. The other piece that's really important is that we're restructuring how money flows. One of the things we heard over and over again from the group is we're really struggling to believe that the money we're paying in the system is going to protect us directly. And that was a fair concern because some of the money, the per acre assessment was going toward ODF central administration. Now, I thought about that as a budget chair, and this is one of the ways that my experience as a budget chair was really helpful because I thought about other agencies and how their budgets are structured. There are plenty of agencies I think about the department of geology and mineral industry for example where they a piece of the what they do their programming in this I think of doami I'm thinking about mining is paid for the the administration of that piece is paid for by the people who are getting those permits those mining permits which makes sense fees like that should pay for administration of the program that's that they're paying for because otherwise realize it doesn't make any sense. I cannot I could be wrong but I cannot and I've asked my colleagues in legislative fiscal I can't think of another agency where rateayers pay for central administration rather than

solely for administration of the program that they're helping to fund. However, land owners on their per acre assessments, part of that was going towards ODF central administration. That didn't make a lot of sense to us because it wasn't consistent with how we do things in the rest of the state. So, we are restructuring who pays for what. And the piece that the general fund will pick up is central ODF administration. We will pick up more of that piece as taxpayers as a whole, which makes sense. And that's part of a way of acknowledging that yes, this is a statewide problem. the landowner assessments. The part of the restructuring that will happen, and Kyle, I'm going to need you to chime in even a little bit more on this than me, but part of what will happen is that the landowner payments will go primarily towards the base in their own areas in their own fire protection districts and toward severity. So when a big fire comes up, there will be a piece of those landowner assessments that go towards a pot of money because as I say over and over again, and I know you know, fire does not obey geopolitical boundaries. If your land is in two different fire protection districts or partly in a fire protection district and partly in a rangeand protection district, as is true for many of our eastern Oregon grazing land owners, then the fire doesn't really care about that boundary. It doesn't see it. It doesn't care. So paying for part of severity is really important because that that pays for those helicopters that pays for those airplanes that ultimately benefit everybody and that makes a lot more sense. That's paying for direct program assets and that's how we're thinking about restructuring it. And the last piece then is that the role of EFCC is going to change a little bit there. And that's something that Brennan Garels, who's the chair of that, and Nancy Hirs, who's the administrator, and who both of whom are super knowledgeable and super helpful, are working on with Doug Graph, to restructure. There's something in the bill now that may have to change slightly as we think about this a little bit more. It's still a work in progress, but that was part of the restructuring to again decomplexify and make it more transparent about who was paying for what. Kyle, what did I leave out there?

Kyle Wiliams: You didn't leave out much. I think just a couple of maybe clarifying points. I'm thinking about the So, you did a good job of of explaining where that $10 flat fee came from and then where that revenue was going to go, right? I think that's an important clarification that as the proposal moved forward, it ended up that half of that $10 revenue was going to go to the Oregon State Fire Marshall's office and then the other half was going to go to ODF and then be split again between mitigation and paying for some large fire costs. What it wasn't intended to do was directly subsidize the landowner rates, right? I mean, that's that's been a bit of a point of confusion, I think, in some of the media coverage is that everybody else was going to pay $10 to lower landowner rates, right? It's related, but not as tightly correlated as they're talking about. That $10 was intended to help where general funds are now being spent and relieve some of that pressure on the general fund.

Okay. So, that's a little bit of a separate deal. But base rates, as you were just talking about, is where that affordability across the landscape is really is really driven, right? And so the other thing I want to point out is that people think of ODF being and as industrial timberland owners and we've been hammering on this drum, right? It's grazers, it's small woodland owners, it's public land owners. 70% of the acres that ODF protects is not industrial lands, right? And so this mission was really focused on all land owners. How do we help all land owners? And in and if a principal is decomplexifying trying to pull one land owner apart from the other one and like you you had already articulated it becomes really complicated. So we wanted to direct the dollars for the rate payers to that tangible you know just like if you were a homeowner and your fire station was a block down the street. Your tax dollars go to fund that fire station. As currently constructed, the ODF system says, "Well, some of your dollars go to this large fire statewide system. Some of your dollars go to this local system." What the work group said was all of your dollars will go to this local protection, right? And so just realigning well, who pays for what, like you said, right?

Elizabeth Steiner: All except for the part that's going to go for the statewide severity resources.

Kyle Williams: Correct. Yeah. And and as you said, right, this things this is sort of morphing and there's still a work in progress. And because that $10 flat fee may be going away, we're starting to think about uh so landowner dollars going back to that severity again. Just like realigning, making it making it make sense. Where does my dollar go? It goes to that local fire truck and it goes to that extra helicopter that keeps the fire small, right? And so what is an all Oregonian challenge? Well, it's that fire once it gets super big and it's and it's affecting everybody and it's those central administration costs in Salem. And as you start to sort of think about this, remove the politics, remove the whose, you know, label is on their lapel, you're going, "Oh, some of that stuff just makes sense, right?" Like everybody feels better about paying for the firefighter they see walk down their street. everybody feels better about contributing to right that all Oregonian challenge like our infrastructure and those other kind of things. It just that's the goal and the mission and I think the motivation for the work group. I just want to make sure that that's that's clarified because I think it it's been muddied in some of the way people have talked about what's going on here.

Elizabeth Steiner: And I and I think that the the one other piece I would add is that yes, as a result of all of these changes, landowner rates will go down. They won't go down a ton, but they'll go down enough that the land owners can live with it, especially our Eastern Oregon grazing land owners. Um, that it will make it sustainable for them. The decrease is primarily coming from the state taking on the responsibility for paying for ODF central administration consistent with the principles that we use in every other state agency. So we are simply

trueing up ODF and how ODF's work gets paid for the pieces of it get paid for in the way that we've done we are to make them consistent with every other state agency and that's a really important point also. So yes, landowner rates are going to go down and they're going down because the state is making sure that we're doing exactly the same with ODF that we do with every other state agencies.

Kyle Williams: And because we're bringing some more resources, right? I mean those increases in the costs for those things are going to be driven back to the district rates, right?

Elizabeth Steiner: Exactly. So so that will make a difference in the district rates also, which is really important.

Chris Edwards: Okay. So now that we've talked a bit about the contents of the proposal, let's talk a bit about the reaction to the proposal. Let's just go straight to the reporting about it. Okay. Let's talk a little bit about that. So there have been some characterizations around the process and the proposal that I'd like to give you the opportunity to to take square on.

Elizabeth Steiner: Yeah.

Chris Edwards: Um you're running for statewide office now.

Elizabeth Steiner: So I am.

Chris Edwards: And so you're running for treasurer.

Elizabeth Steiner: Yep.

Chris Edwards: uh in the Democratic primary.

Elizabeth Steiner: Yep.

Chris Edwards: And it has been asserted that you are doing this for political purposes. And so can you can can you talk a little bit about about those circumstances?

Elizabeth Steiner: Yep. The cleanest way to state this is I made the commitment to work on this in June of 2023. I was not approached about running for treasurer, nor had I ever considered running for statewide office until August of 2023. So, the agreement to take this on, the first stages of this work to do this happened well before I was even approached about running for treasurer and long before I decided or announced that I was running for treasur. The work group was well underway before that and I have three years left on my current Senate term. If I don't win the treasurer race, don't win my primary or don't win the win the primary but don't win the general, I'm still going to be in the Senate another two years. And this is important to me as chair of the budget committee. This is part of the statewide work that a budget person can and should be doing. And I took it on having no

idea that I would even be considering running for a different office. And if my campaign stopped today, which it won't, I would still push forward with this work and I'd be continuing it. And as I mentioned, we're still working on stuff after this session, after the 24th session to bring in forward in the 25 session. I may or may not be in the Senate in the 2025 session. Regardless, this is really important work to do and I'll be bringing in other legislators so that if in fact at the beginning of 25 I'm the treasurer instead of a senator, I will have colleagues who can continue this work forward. But I will stay actively engaged in this work between the 24 session and the general election next November because it's critically important to the long-term well-being of our state and maintaining our robust system of fire protection that we have. And I am an Oregonian first. I ran for the legislature to take care of the health of Oregonians. Fire impacts the health of Oregonians in every corner of our state. And I'm doing this because I believe that this is an all Oregon problem. And I serve as budget and as a family physician thinking about the entire state. So it's categorically untrue.

Chris Edwards: Yeah, I appreciate that, Senator. And I've known you long enough to know that you're a straight shooter. You've voted against the Oregon Forest Industries Council plenty of times. I have.

Elizabeth Steiner: I have. And I would continue to do so sometimes, I'm sure.

Chris Edwards: But you've always been fair. And I know our trade association and I would say probably most trade associations support candidates for office that are fair and that they would like to see continue serving. And so I I do want to talk a little bit and give you the opportunity to respond to accusations that you know somehow campaign contributions are influencing uh your work. I know. And I'll just say upfront, the Oregon Forest Industries Council PAC made a contribution to your pack in early September prior to your announcement for treasurer. And just as we made a contribution to the other co-chair of Ways and Means, just as we made 39 other contributions to legislators in the month of September. And so there's nothing really unique about that. But of course, those who have other interests or who wish our sector harm have really wanted to characterize your work as being somehow sullied.

Elizabeth Steiner: So I appreciate you're asking the question and I have to admit that this is the hardest part of this whole thing for me. Chris, you mentioned that you and I have worked together a really long time and we've known each other a long time. And I don't say the following to toot my own horn, but I will say that there is nothing more important to me than my integrity. And the allegation, the accusation that I would change what I do in the legislature because of campaign contributions is something of a moral injury for me, right? because it is so completely diametrically opposed to who I am as an individual and as a legislator that it's really hard to even wrap my head around. You mentioned also that I've

voted against OFIC in the past. The contribution that you all gave me in early September was by no means the first contribution that you've given me and you gave it to me after voting against you all several times. I would talk about other contributions from other entities that I've gotten. A good example is the hospital association. The hospital association has supported me for years. And in 2021, I was co-chief sponsor of a big huge bill, the mergers and acquisitions bill that they vehemently opposed. And yet they continued to support me um in the next cycle in 2022 and they've supported me since then because as you said I'm fair and I don't let campaign contributions influence my approach to policym. I don't take contributions from pharmaceutical manufacturers or from tobacco companies because as a family physician both of those are both of those industries are very problematic for me in certain ways and yet my door is always open. My door is always open to anybody who wants to sit down and have a conversation with me. And I have worked collaboratively with both of those industries to move forward things like tobacco retail lensure and figuring out ways to manage other parts of the pharmaceutical chain even though I never take money from them. As long as they were congruent with my values as an individual and as a legislator, I'll work with anybody and I'll move forward any policy. But they have to be whatever it is has to be congruent with my core values and has nothing to do with who contributes. If you asked me to list everybody, every entity that's contributed to my pack, it'd be impossible. I have no idea. And I don't know how much. I might be able to tell you a variety of groups, but I'm damned if I can tell you how much each of them's contributed at various phases of my career. No idea. Don't pay attention to it. Grateful for the support, honored by the fact that people trust me and understand that I'm a fair, honorable person who's going to look at the facts and stick to her values. But I get contributions from across the spectrum. I've gotten contributions from conservation groups consistently throughout my career, too. and sometimes I vote with them and sometimes I vote against them.

Chris Edwards: I appreciate that. So let's let's talk a little bit about then you know some of the allegations that are being made about how this would this proposal would disproportionately benefit one type of land owner while you know shifting the burden shifting the burden of fire. And we we touched on it a little bit, but I want you to be able to talk just directly to this specific talking point that has been brought up by opponents that have said, "Well, you're taxing the poor to to lower uh the financial burden of big corporations."

Elizabeth Steiner: Sure. First of all, I'm not sure who the poor are that I'm taxing. What we're taxing are land owners and timber companies that harvest wood from our forests, from state forests or their own lands. So, I'm not quite sure how that's taxing the poor.

Chris Edwards: But I think that was in reference to specifically the $10 fee which is not moving $10 and whether or not that's fair is

Elizabeth Steiner: Property owners and generally speaking very low income people don't own property and don't pay property taxes directly. So, that's something of a canard. Also, what I would say is this. As I mentioned earlier, much of the offset for land owners is coming from the fact that we're pulling the cost of central administration for the Department of Forestry out of landowner rates just as we do for every other analogous program in state government. Whether that's mining permits or clean air permits at DEEQ, we do not ask those rateayers to pay for central administration. We ask them to pay for administration of that particular program, which makes sense and it's fair. We do not ask them to pay for the central administration of the department. Historically, land owners have been paying for central administration for the department. We are changing that. The general fund will be paying for that now. So much of the offset comes from that. The second point I would make is the biggest grumble accusation whatever that's been made is that warehouser is getting a a quote unquote huge tax break. A lot of their land their property tax accounts fall into this minimum lot category. So those amounts are going to go up. Some of their land they'll pay less on. They'll also pay more on the harvest tax. I don't know how many millions of board feet they harvest every year. So, I don't know what that cost is going to be to them, but fundamentally they are getting exactly the same offset that every other land owner who pays into this system is getting. It just happens that the total adds up to be more because they own more land. But it's also true that grazing land owners in Baker County are going to get exactly the same offset per acre that you know that the proportions are going to go down for timberland in eastern Oregon just like they do for timberland that western Oregon owners owns. So, it's simply a matter of scale. And I would point out that a significant percentage of land owners, mostly people with single family homes on small lots at the wildland urban interface, are going to be paying a chunk more. Rates are going up and down in a lot of different ways.

Kyle Williams: The other way to think about that is their cumulative contribution to the system as well, right? In aggregate, right? what a what a warehouser provides to the collective system because it it is somewhat like an insurance where everybody pulls their resources and you may go your whole lifetime without ever having a fire that ODF responds to much in the same way that warehouser may contribute whatever they are and not have a fire for several years going right um and they would be on other people's property and their dollars are going in to help fund ODF to put those out and and I think that's that's the balance and that's theauty beauty of this system in Oregon and and part of why we've made it so successful. I think I would also add additionally that some of those larger land owners may be seeing reductions in their per acre rates. They're also bringing additional resources

to help ODF fight fire. I think that's a piece of the puzzle a lot of people aren't aware of. Right. In the Labor Day event, we had over 650 people and over 350 pieces of equipment that land owners uh provided either through their direct employees or contractors. It changed the tide in many examples and I and I think that's an important thing. It's not just about the dollars that that organiz

Elizabeth Steiner: I think that's really important Kyle and if you hadn't brought that up I was going to bring add it. There are plenty of small land owners, small wood lotad owners, for example, whose property was protected because warehouser was bringing to bear people and large equipment to keep the fires contained, to build those fire lines, to dig those fire lines, to do all that kind of stuff. I'm not trying to make out any individual company or person or entity of any kind as the hero or the villain of this conversation. What I'm pointing out is that we do not give public acknowledgement or financial credit to the industrial land owners or the small woodland owners for that matter who own equipment and who their their workers have the experience and the willingness to have done the training to fight fire and step up over and over and over again on a voluntary basis to help contain large fires and keep them from encroaching on personal property or small wood lot owners or any other adjacent land. For the 1200th time, I'm going to say a fire does not obey geopolitical boundaries. When warehouser stops a fire on its land, it keeps it from going into Bob Smith's land next which is adjacent which is contiguous with warehouser land and we cannot calculate. That's one of the conversations. Remember this conversation we had about you can be simple or you can be fair. We talked about how do we acknowledge how do we account for the value of those inkind contributions? The contributions of people of power, the contributions of equipment. How do we account for that? And there is no clean way to do it. No clean way, no simple way to do it and be sure that we're being equitable and transparent about it. We just have to take it as a given that anybody who owns these lands and has the equipment and the people to contribute is going to do it and they do time and time and time again. And that is really important to say.

Chris Edwards: Moving on, I want to I want to talk about another topic that's been mentioned. the amount that private forest land owners pay toward wildfire protection suppression in the state of Oregon versus what they pay in other states. So, prior to this proposal, Oregon forest land owners paid more than forest land owners in anywhere else in the Pacific Northwest, including California. And after this proposal, should this proposal pass, that will still be the case.

Elizabeth Steiner: Yes.

Chris Edwards: And there's been sort of some scoffing at that with oh yeah well you know in other states they pay into the general fund and the general fund picks it up and it it's been

frustrating to listen to those remarks that are uninformed but perhaps senator you have some thoughts about it and Kyle you may have some thoughts as well.

Elizabeth Steiner: I guess the first thing I'd say is you've seen one state finance system, you've seen one state finance system. Um, and if you look at, for example, the Pew report that I referenced earlier in our conversation about how states pay for fighting fire, you will see that if you look at Washington, Oregon, California, Montana, Idaho, any other state, every single system is different. Every state over time has made different decisions about how they pay for their firefighting system. In Oregon, as you mentioned, private land owners pay a much higher percentage of the total cost, a noticeably higher percentage than land owners in other states. That is a decision that we made as a state over time.

Kyle Williams: There's nothing to add. I think that's exactly right. the the state-to-state comparisons are nice to try and help with I think that creative problem solving and maybe somebody is invented a wheel that's better than your wheel and so you want to look at that but then when you start devolving into well that's not apples to apples and that's not bananas and apples it's just like well you know Oregon has a protection system that's the envy of the entire country and so something's working here where you start to you hear us say well look we pay more directly for our fire system than anyone else that's simply to to say we are doing a reasonable part of the financing here and then you layer on all of the other tangible impacts that we've got.

Chris Edwards: There is one other topic that I wanted to wanted to address and that is how the how the proposal actually came to be developed on paper in the workg group. And we've all we've all been a part of workg groupoup processes where there's a bunch of different stakeholders at the table talking. you've got a facilitator in this in this instance that's sort of keeping track of things and then you know somebody just has to take the notes

Elizabeth Steiner: right

Chris Edwards: and and then you've got to start compiling and it's often a group effort so how did how did that how did that transpire and the reason I ask is because it has been asserted that a particular company quote wrote the proposal

Elizabeth Steiner: oh baloney

Chris Edwards: because it you know it it sounds more salacious to to say it that

Elizabeth Steiner: baloney. Through the documentation to prove that that's baloney to use a word that I can use on a public podcast. Um because I'd say something stronger otherwise. We have documentation. We have email chains that we have sent to these

reporters that have chosen to ignore that demonstrate that those allegations are patently false. And furthermore, what they're talking about is simply a communication guide. It's not the actual bill. The communication guide was primarily prepared by some of the stakeholders including Kyle, including Betsy Earl from Warehouser. It was sent to the entire group and Doug Graph was also working on pieces of this. We merged stuff and we took pieces of this and pieces of that and we made sure the group, the entire group agreed on the content of the communication guide and thought we were expressing our thought processes, our principles, etc. fairly. We have the email chain to document all of this. I'm not talking through my hat on this. I promise you, we can demonstrate that this was a group effort, that the final document happened to end up on a piece of electronic paper that Betsy Earles had worked on a bunch from Warehouser, but the content, Betsy's a communications person, of course, she's going to contribute to this. She's a good writer. We wanted a document that all of our workg groupoup members that anybody could use to explain this proposal to other people. That meant understanding the principles that we talked about earlier in our conversation and that the group used as its guide for the proposal. That was the main piece that Betsy added in and we agreed that needed to be there because people have to understand the context and how we arrived at these decisions. But to assert in any way, shape or form that any individual or any individual entity had undue influence on this proposal is baloney.

Chris Edwards: Yeah, it's been uh frustrating to to see that in written and spoken um formats out there.

Elizabeth Steiner: An understatement, Chris.

Chris Edwards: It's it's Yeah, I mean it's just intellectually dishonest.

Elizabeth Steiner: It is.

Chris Edwards: And and it it shows that a particular reporter really has an axe to grind. And so what else about about the reporting on this particular topic is inaccurate or is just really being written to to support a certain narrative.

Elizabeth Steiner: I mean, I'll be blunt with you. In my time in the legislature, I cannot ount how many conversations I've had with reporters. I can't count. Certainly, especially in the past year and a half, right? A lot. I I don't know, dozens in the past year. I cannot say that I've ever had as adversarial and unprofessional a conversation with a reporter as I had with one of the ones who's published and to some extent with another one who I spoke with two days ago. And they are coming at this with a very strong anti-timber bias, anti-industrial timber bias. And I find that not reporting but opinion writing. They have a right to write opinion but they should not frame it as reporting. And I have not had that experience

before. And it's really problematic from my perspective because every topic that the legislature takes up or that is discussed in the media as journalism, not opinion writing, should be approached from a neutral perspective. And the ethics guidelines of the entities that they write for make that very clear. I don't understand what's missing here. I don't understand why they're doing this and why they're being allowed to do this by their editors. It's very puzzling to me and very problematic.

Chris Edwards: And that's the topic of a whole another podcast about the state of journalism and the media today. And it's been it's it's problematic for society.

Elizabeth Steiner: I've had disagreements, don't get me wrong. I've had complicated, challenging conversations with members of the media before. I've been pushed hard, but they've been respectful. And when I've pushed back with facts, they've acknowledged that in their reporting or in the conversations or both. And they've tried to take a more balanced approach to this and acknowledge the facts of a situation. That is not the case here. And I'm baffled and I'm frustrated as heck.

Chris Edwards: Yeah. Well, Senator Steiner, any uh any concluding remarks before we wrap up this conversation? We're super appreciative of your willingness to to speak openly and frankly about the about this policy and how it was developed.

Elizabeth Steiner: I appreciate the opportunity and I and I got to say you got to give a big shout out to Kyle who's been an incredibly valuable member of the work group and as everybody else did came to the table in good faith. I really want to acknowledge the efforts of all the members of the work group who did some very hard work in a very short period of time and it was uncomfortable work at times. I give them enormous credit for what they've done and it's a privilege to me to work with people who are so committed to maintaining what we've said over and over again. a firefighting system that is the envy of the entire nation and trying to make sure that we don't lose people out of that system, land owners out of that system and thus gut it and make it un completely unsustainable, which would be to the detriment of every single Oregonian. This is an all Oregon problem, requires an all Oregon solution and is a very thorny problem that we need to keep chipping away at. This is a good step in the right direction. We've built a framework and a construct where people feel safe coming to the table and I'm honored by that. The people who are willing to work with me and I look forward to continuing the work. This is not over. We're making a positive step and we've got more work to do.

Chris Edwards: Well, thank you. We look forward to that future work as well. And with that, I think we'll wrap up this conversation and we look forward to future conversations.

Elizabeth Steiner: Thanks so much.

Chris Edwards: I hope you enjoyed this episode. Be sure to check back for new content coming your way soon on the Forestry Smart Policy Podcast. And as always, if you have a question about this episode or something else, just drop us a note at podcastic.com. And who knows, maybe in a future episode, we will address your question or whatever beef you may have with what we have presented.