### CERTIFICATION OF ENROLLMENT

#### ENGROSSED SUBSTITUTE SENATE BILL 5972

Chapter 81, Laws of 2014

63rd Legislature 2014 Regular Session

CIVIL ACTIONS--FORESTED LANDS--FIRE DAMAGE

EFFECTIVE DATE: 06/12/14

Passed by the Senate March 12, 2014 CERTIFICATE YEAS 48 NAYS 1 I, Hunter G. Goodman, Secretary of the Senate of the State of BRAD OWEN Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5972** as President of the Senate passed by the Senate and the House Passed by the House March 11, 2014 of Representatives on the dates YEAS 98 NAYS 0 hereon set forth. FRANK CHOPP HUNTER G. GOODMAN Speaker of the House of Representatives Secretary Approved March 27, 2014, 10:25 a.m. FILED March 27, 2014

> Secretary of State State of Washington

JAY INSLEE

Governor of the State of Washington

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# ENGROSSED SUBSTITUTE SENATE BILL 5972

### AS AMENDED BY THE HOUSE

Passed Legislature - 2014 Regular Session

### State of Washington

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63rd Legislature

2014 Regular Session

By Senate Natural Resources & Parks (originally sponsored by Senators Pearson, Rolfes, Hargrove, Mullet, Sheldon, Hewitt, Cleveland, Honeyford, Fain, Hill, Braun, Fraser, Litzow, Parlette, Frockt, and Kline; by request of Commissioner of Public Lands)

READ FIRST TIME 01/22/14.

- 1 AN ACT Relating to specifying recovery for fire damages to public
- 2 or private forested lands; amending RCW 4.24.040 and 4.24.060; adding
- 3 a new section to chapter 76.04 RCW; and creating new sections.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 76.04 RCW 6 to read as follows:
  - (1) The owner of public or private forested lands may bring a civil action in superior court for property damage to public or private forested lands, including real and personal property on those lands, when the damage results from a fire that started on or spread from public or private forested lands.
- 12 (2) Liability under this section attaches to the extent that 13 evidence demonstrates that:
  - (a) An action or inaction by a person relating to the start or spread of the fire from public or private forested lands constituted negligence or a higher degree of fault; and
- 17 (b) The action or inaction under (a) of this subsection was a 18 proximate cause of the property damage.
- 19 (3) Recoverable damages under this section are limited to:

- (a) Either: (i) The difference in the fair market value of the 1 2 damaged property immediately before and after the fire. For real property, the state-certified general real estate appraiser must 3 identify and analyze all relevant characteristics and uses of the 4 5 property including cultural, recreational, and environmental characteristics and uses, to the extent such characteristics or uses 6 7 contribute to the fair market value of the property based on the highest and best use of the property. The state-certified general real 8 estate appraiser shall expressly address the assumptions and conditions 9 10 used to evaluate such characteristics and uses, consistent with standards of professional appraisal practice adopted under chapter 11 18.140 RCW; or (ii) the reasonable cost of restoring the damaged 12 13 property to the general condition it was in immediately before the 14 fire, to the extent permitted by Washington law;
  - (b) The reasonable expenses incurred to suppress or extinguish the fire unless otherwise provided for in this chapter;
  - (c) Any other objectively verifiable monetary loss, that is not duplicative of the recovery specified under (a) or (b) of this subsection including, but not limited to: Out-of-pocket expenses; loss of earnings; loss of use of property; or loss of business or employment opportunities; and
  - (d) In actions brought by an Indian tribe for recovery of damages from injury to archaeological objects, archaeological sites, or historic archaeological resources, damages as measured in accordance with WAC 25-48-043 as it existed on the effective date of this section.
  - (4) This section provides the exclusive cause of action for property damage to public or private forested lands, including real and personal property on those lands, resulting from a fire that started on or spread from public or private forested lands.
  - (5) The definitions in this subsection only apply throughout this section relating to the specification of damages for fire damage to public and private forested lands, unless the context clearly requires otherwise, and do not apply to and are not intended as a source for interpretation of other sections of this chapter.
  - (a) "Fair market value" means the amount that a willing buyer would pay to a willing seller for property in an arms-length transaction if both parties were fully informed about all advantages and disadvantages of the property and neither party is acting under a compulsion to sell,

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- as determined by: (i) For real property, a state-certified general real estate appraiser as defined under RCW 18.140.010; and (ii) for personal property, an appraiser qualified to appraise the property based on training and experience. For real property, the state-certified general real estate appraiser must identify and analyze all relevant characteristics and uses of the property including cultural, recreational, and environmental characteristics and uses, to the extent such characteristics or uses contribute to the fair market value of the property based on the highest and best use of the property. The state-certified general real estate appraiser shall expressly address the assumptions and conditions used to evaluate such characteristics and uses, consistent with standards of professional appraisal practice adopted under chapter 18.140 RCW.
  - (b) "Forest tree species" means a tree species that is capable of producing logs, fiber, or other wood materials that are suitable for the production of lumber, sheeting, pulp, firewood, or other forest products.

- (c) "Owner of public or private forested lands" means any person in actual control of public or private forested lands, whether the control is based either on legal or equitable title, or on any other interest entitling the holder to sell or otherwise dispose of any or all of the timber on the land in any manner.
- (d) "Person" includes: An individual; a corporation; a public or private entity or organization; a local, state, or federal government or governmental entity; any business organization, including corporations and partnerships; or a group of two or more individuals acting with a common purpose.
- (e) "Public or private forested lands" means any lands used or biologically capable of being used for growing forest tree species regardless of the existing use of the land except when the predominant physical use of the land at the time of the fire is not consistent with the growing, conservation, or preservation of forest tree species. Examples of inconsistent uses include, but are not limited to, buildings, airports, parking lots, mining, solid waste disposal, cropfields, orchards, vineyards, pastures, feedlots, communication sites, and home sites that may include up to ten acres. Public or private forested lands do not include state highways, county roads,

- 1 railroad rights-of-way, and utility rights-of-way that cross over,
- 2 under, or through such lands.
- 3 **Sec. 2.** RCW 4.24.040 and 2009 c 549 s 1001 are each amended to 4 read as follows:
- Except as provided in section 1 of this act, if any person shall 5 for any lawful purpose kindle a fire upon his or her own land, he or 6 7 she shall do it at such time and in such manner, and shall take such 8 care of it to prevent it from spreading and doing damage to other persons' property, as a prudent and careful person would do, and if he 9 10 or she fails so to do he or she shall be liable in an action on the case to any person suffering damage thereby to the full amount of such 11 12 damage.
- 13 **Sec. 3.** RCW 4.24.060 and 2011 c 336 s 93 are each amended to read 14 as follows:
- The common law right to an action for damages done by fires, is not taken away or diminished by RCW 4.24.040, 4.24.050, and 4.24.060((, but it may be pursued; but)). However:
- (1) Any person availing himself or herself of the provisions of RCW 4.24.040, shall be barred of his or her action at common law for the damage so sued for((, and));
  - (2) No action shall be brought at common law for kindling fires in the manner described in RCW 4.24.050((; but)). However, if any such fires shall spread and do damage, the person who kindled the ((same)) fire and any person present and concerned in driving ((such)) the lumber, by whose act or neglect ((such)) the fire is suffered to spread and do damage shall be liable in an action on the case for the amount of damages thereby sustained; and
- 28 (3) A civil action for property damage to public or private
  29 forested lands, including real and personal property on those lands,
  30 resulting from a fire that started on or spread from public or private
  31 forested lands may be brought only under section 1 of this act.
- NEW SECTION. Sec. 4. This act does not: Affect or preclude any action relating to the imposition of criminal or civil penalties as authorized by law; affect or preclude the recovery of fire suppression costs as authorized under chapter 76.04 RCW; affect or preclude an

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- 1 action under RCW 4.24.630 against a person who goes onto the land of
- 2 another without authorization and wrongfully, intentionally, and
- 3 unreasonably causes a fire resulting in property damage; affect or
- 4 preclude an action under chapter 27.44 or 27.53 RCW; or affect the
- 5 provisions of RCW 76.04.016.
- 6 <u>NEW SECTION.</u> **Sec. 5.** This act applies prospectively only and not
- 7 retroactively. It applies only to causes of action that arise on or
- 8 after the effective date of this section.

Passed by the Senate March 12, 2014.

Passed by the House March 11, 2014.

Approved by the Governor March 27, 2014.

Filed in Office of Secretary of State March 27, 2014.