HOUSE BILL REPORT
E2SHB 1563

As Passed House:
March 7, 2025

Title: An act relating to a prescribed fire claims fund pilot program.

Brief Description: Establishing a prescribed fire claims fund pilot program.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Bernbaum, Dent, Timmons, Orcutt, Nance, Reeves, Hackney, Tharinger, Ybarra, Springer, Reed, Fitzgibbon, Cortes, Hill, Obras, Lekanoff, Paul, McClintock, Couture, Griffey, Berry, Leavitt, Zahn and Scott).

Brief History:
Committee Activity:
Agriculture & Natural Resources: 2/12/25, 2/18/25 [DPS];
Appropriations: 2/24/25, 2/27/25 [DP2S(w/o sub AGNR)].
Floor Activity:
Passed House: 3/7/25, 96-1.

Brief Summary of Engrossed Second Substitute Bill

- Creates a prescribed fire claims fund pilot program.

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Reeves, Chair; Morgan, Vice Chair; Dent, Ranking Minority Member; Engell, Assistant Ranking Minority Member; Bernbaum, McClintock, Nance, Richards and Springer.

Minority Report: Without recommendation. Signed by 2 members: Representatives Orcutt and Schmick.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Staff: Lily Smith (786-7175).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Agriculture & Natural Resources. Signed by 29 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Berg, Bergquist, Burnett, Caldier, Callan, Corry, Cortes, Doglio, Fitzgibbon, Keaton, Leavitt, Lekanoff, Manjarrez, Marshall, Peterson, Pollet, Rude, Ryu, Springer, Stonier, Street, Thai and Tharinger.

Minority Report: Without recommendation. Signed by 2 members: Representatives Schmick, Assistant Ranking Minority Member; Dye.

Staff: Dan Jones (786-7118).

Background:

Controlled Burning and Related Duties of the Department of Natural Resources.

Prescribed burning is the controlled application of fire to wildland fuels under specific environmental conditions. This allows a fire to be confined to a predetermined area and produce the fire line intensity and rate of spread required to attain planned management objectives, such as ecosystem restoration and wildfire risk reduction.

There are multiple certifications available for persons conducting prescribed burns. The certified burner program at the Department of Natural Resources (DNR) provides training, certification, and increased liability protection. The National Wildfire Coordinating Group, composed of federal member agencies, requires more extensive experience and training for additional levels of certification for prescribed burn managers, often referred to as "burn bosses."

As the forest fire service of the state, the DNR has responsibility for fire suppression on lands under the DNR's fire protection authority, enforcement of forest fire-related laws, and the investigation of the cause of forest fires. The DNR regulates prescribed burning on DNR-protected land through the issuance of permits, which may include conditions for the protection of life, property, or air quality, and may be suspended or revoked. Certified burners under the DNR program may be issued burn permits with modified requirements.

Cultural burning is a longstanding indigenous practice of managing land with low intensity fires for the cultivation of habitat, resources, and ecosystems.

The Office of Risk Management.

The Office of Risk Management (ORM), within the Department of Enterprise Services, manages programs related to state and local liability, including claims against the state, loss prevention, self-insurance, and risk financing.

Summary of Engrossed Second Substitute Bill:

Subject to appropriation, the ORM must establish and administer a pilot program to reimburse claims for certain damage and suppression costs from a prescribed fire or cultural burn conducted on lands under the DNR fire's protection authority or on tribal lands where there is an agreement with the DNR or approval by the tribe. The prescribed fire or cultural burn must have been conducted by a certified burn manager or cultural fire practitioner in accordance with applicable permit and planning requirements. Each claim reimbursement is subject to the availability of funding and may not exceed $2 million.

The ORM must adopt guidelines establishing the procedures for claim submission, methodology for claim prioritization, and any additional criteria for eligibility.

Upon submission of a claim, the DNR must determine that the claimed damage was caused by the prescribed fire or cultural burn, and that the fire met the applicable criteria and was not caused by a criminal or negligent act.

The Prescribed Fire Claims Account is created in the State Treasury for the purposes of claim reimbursement. Money in the account may be spent only after appropriation. Through June 30, 2033, the purposes of the Risk Management Administration Account are expanded to include administration of the pilot program.

The pilot program expires June 30, 2033.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony (Agriculture & Natural Resources):

(In support) Fire has been used across a variety of landscapes for diverse purposes as a cultural practice. Fire is critical to the resilience of forests and mitigation of fuel build ups, and Washington forests are adapted to fire. Healthier forests are better able to survive the impacts of climate change and continue to provide benefits like clean air and water. Escapes from prescribed burns are rare, but liability concerns make prescribed fire

underutilized. This bill doesn't absolve anyone of the risk, but practitioners should spend more time and resources on fires rather than navigating liability. There is significant value in building confidence in practitioners and the public, and this bill can increase the use of fire as an important tool for preventing catastrophic fires. It is becoming more difficult to get insurance. Other states have made progress in this area, supported hundreds of projects without any claims being made, and seen insurers reenter the market. The Department of Natural Resources will need resources to implement this bill, and it would help to further clarify its role. This bill provides strong oversight, and landowners want this work to happen. Practitioners are more likely to call for additional support quickly as soon as they see a problem if this fund is in place, rather than debating how they should respond.

(Other) The language in section one should be expanded to include other lands, like grasslands, in addition to forests. The definition of "cultural fire practitioner" should be amended to mean someone approved by a tribe, not just associated with one. We should ensure that tribal governments can file claims.

Staff Summary of Public Testimony (Appropriations):

(In support) This bill will promote the use and scaling up of prescribed fire, which is one of the most powerful and cost-effective tools for forest health and to mitigate the potential for destructive fires. Prescribed fires clear fuel loads, which reduces wildfire risk and the impacts of wildfires. Uncertainty around liability is one of the main barriers to increasing the use of prescribed fire. Other states have implemented similar programs effectively. Long term, the use of prescribed fire reduces suppression costs. There are a few changes that are recommended to reduce the fiscal impact.

(Opposed) None.

Persons Testifying (Agriculture & Natural Resources): (In support) Emily Hohman, The Nature Conservancy; Dylan Kruse, Sustainable NW; Sara Clark, Shute, Mihaly and Weinberger; Ray Entz, Kalispel Tribe of Indians; Jay McLaughlin, Mt. Adams Resource Stewards; Darcy Nonemacher, WA Conservation Action; Chris Martin, WA Prescribed Fire Council; and Pat Sullivan, Department of Natural Resources.

(Other) Vice Chairwoman Loni Greninger, Jamestown S'Klallam Tribe.

Persons Testifying (Appropriations): Skippy Shaw, The Nature Conservancy; Chris Martin, WA Prescribed Fire Council; and Pat Sullivan, Department of Natural Resources.

Persons Signed In To Testify But Not Testifying (Agriculture & Natural Resources): None.

Persons Signed In To Testify But Not Testifying (Appropriations): None.