

SENATE BILL REPORT

SB 5491

As of February 8, 2025

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

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

Sponsors: Senators Warnick, Shewmake, Short, Chapman, Lovelett, Muzzall, Holy, Krishnadasan and Nobles.

Brief History:

Committee Activity: Agriculture & Natural Resources: 2/10/25.

Brief Summary of Bill

- Establishes a Prescribed Fire Claims Pilot Program to support coverage for losses from prescribed fires and cultural burning by certain nonpublic entities.

SENATE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Staff: Jeff Olsen (786-7428)

Background: The Department of Natural Resources (DNR) has direct charge and responsibility over all matters relating to forest fire services in the state. DNR is also responsible for issuing and regulating permits for certain burning activities on lands under the DNR's fire protection authority, including silvicultural or prescribed burning. DNR maintains and implements the Smoke Management Plan to regulate burning on DNR-protected lands, and to meet requirements of the state Clean Air Act.

Prescribed burning is the controlled application of fire to wildland fuels under specific environmental conditions, which allow the fire to be confined to a predetermined area, and at the same time to produce the fireline intensity and rate of spread required to attain planned management objectives.

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.

The Office of Risk Management (ORM) administers the Self-Insurance Liability Program and also manages risk financing, provides loss prevention services, and administers the loss prevention review team program. ORM loss prevention program assists state agencies to reduce liability exposure, safeguard state assets, and reduce costs associated with state liability and property losses. The Risk Management Administration Account is used for the payment of costs for liability, property, and vehicle claims relating to settlements and judgments against the state.

Summary of Bill: ORM, in cooperation with DNR, shall establish a Prescribed Fire Claims Pilot Program (pilot program). The purpose of the pilot program is to support coverage for losses from prescribed fires and cultural burning by nonpublic entities that have alleged to cause damage resulting from appropriately conducted prescribed fires or cultural burning. Nonpublic entities may include cultural fire practitioners, private landowners, nongovernmental entities, certified burn managers, companies, contractors, and operators.

To be eligible for reimbursement, a claim must be from a prescribed fire or cultural burn conducted:

- by a certified burn manager, under an approved burn plan, with applicable permits and in accordance with any other applicable conditions or requirements as determined by DNR; or
- by a cultural fire practitioner, in accordance with any applicable burn plan or permit.

The claim must be for property or economic damage suffered by the claimant as a result of the prescribed fire or cultural burn. DNR may also claim reasonable costs for suppression action related to the prescribed fire or cultural burn.

Upon submission of a claim, DNR shall determine and certify to ORM whether the claim meets the eligibility criteria. ORM may reimburse an eligible claim up to \$2 million per claim. Payment of claims is conditional based on availability of funding. A claim suffered as a result of a fire caused by a criminal or negligent act is not eligible for reimbursement.

ORM shall collaborate with DNR and relevant stakeholders to establish guidelines for the pilot program including procedures for claim submission, criteria for claim eligibility, and prioritization of claims payment. ORM and DNR may adopt rules to implement the pilot program.

A Prescribed Fire Claims Account is created and expenditures from the account may be used for the reimbursement of claims. The Risk Management Administration Account may be used to pay for the administration of the pilot program.

The pilot program expires June 30, 2033.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.