

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1563

Chapter 93, Laws of 2025

69th Legislature
2025 Regular Session

PRESCRIBED FIRE CLAIMS FUND PILOT PROGRAM

EFFECTIVE DATE: April 21, 2025

Passed by the House March 7, 2025
Yeas 96 Nays 1

LAURIE JINKINS

**Speaker of the House of
Representatives**

Passed by the Senate April 11, 2025
Yeas 48 Nays 1

DENNY HECK

President of the Senate

Approved April 21, 2025 9:50 AM

BOB FERGUSON

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1563** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

April 21, 2025

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1563

Passed Legislature - 2025 Regular Session

State of Washington

69th Legislature

2025 Regular Session

By House 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)

READ FIRST TIME 02/28/25.

1 AN ACT Relating to a prescribed fire claims fund pilot program;
2 amending RCW 4.92.220; adding a new section to chapter 76.04 RCW;
3 creating new sections; providing expiration dates; and declaring an
4 emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that Washington
7 is experiencing a forest health crisis. Rangeland and forest fires
8 have grown both larger and more damaging in recent years, threatening
9 the health, livelihoods, and homes of Washingtonians. Over the last
10 10 years, wildfires have burned an average of 470,000 acres across
11 the state. According to the 2020 forest health assessment and
12 treatment framework, approximately 3,000,000 acres in eastern
13 Washington alone are in need of active management or disturbance to
14 improve forest resiliency to stressors such as wildfire and drought.

15 (2) The legislature finds that prescribed fire and cultural
16 burning are one of the most effective, yet underutilized tools to
17 help address the forest health crisis. Most ecosystems in Washington
18 evolved with fire through stewardship by tribal peoples and ignitions
19 like lightning strikes. Prescribed fire and cultural burning remove
20 dead and downed brush and vegetation, providing more management
21 opportunities for fire suppression across a variety of landscapes by

1 proactively removing hazardous fuels. Compared to wildfire smoke,
2 prescribed fire smoke produces up to 50 percent less PM2.5. Fire also
3 returns important nutrients to the soil, revitalizes plant growth,
4 and improves wildlife habitat. Tribes have used cultural burning
5 since time immemorial to sustain healthy and resilient lands.

6 (3) The legislature finds that growing risks of wildfires to
7 communities and the environment generally requires at least a five-
8 fold increase in prescribed burning to effectively reduce accumulated
9 fuels, restore resiliency to landscapes, and protect communities.

10 (4) The legislature further finds that while prescribed fire
11 escapements are rare, the uncertain financial implications associated
12 with an escapement deter this work despite its low risk. The 2023
13 Washington prescribed fire barriers assessment report and strategic
14 action plan found that one of the most significant barriers to more
15 prescribed burns has been uncertainty around potential liability.

16 (5) Therefore, the legislature intends to establish a fire claims
17 fund pilot program to provide loss coverage for prescribed and
18 cultural burns conducted in accordance with applicable requirements.
19 By decreasing the uncertainty associated with these regulated burns,
20 the legislature intends to promote the use of this critical tool for
21 strengthening and protecting our resources and communities.

22 NEW SECTION. **Sec. 2.** A new section is added to chapter 76.04
23 RCW to read as follows:

24 (1) Subject to the availability of amounts appropriated for this
25 specific purpose, the office of risk management shall, in
26 consultation with the department, establish a prescribed fire claims
27 fund pilot program for the purposes of:

28 (a) Supporting coverage for losses from prescribed fires and
29 cultural burning on department protected lands and on tribal lands
30 where an agreement exists between the Indian tribe and the department
31 or where approved by the Indian tribe. The fund would not be utilized
32 when prescribed fires or cultural burning have federal tort claims
33 act coverage under a federally recognized burn plan; and

34 (b) Supporting nonstate and nonfederal entities that are alleged
35 to have caused damages resulting from appropriately conducted
36 prescribed fires or cultural burning on department protected lands
37 and tribal lands as described in (a) of this subsection.

38 (2) To be eligible for reimbursement under this section, a claim
39 must meet the criteria in (a) and (b) of this subsection.

1 (a) The claim results from a prescribed fire or cultural burn
2 conducted on department protected lands and tribal lands as described
3 in subsection (1)(a) of this section:

4 (i) By a certified burn manager, under an approved burn plan,
5 with applicable permits and in accordance with any other applicable
6 conditions or requirements as determined by the department; or

7 (ii) By a cultural fire practitioner, in accordance with any
8 applicable burn plan or permit.

9 (b) The claim is for:

10 (i) Property or economic damage, as described under RCW
11 76.04.760(3) (a), (c), and (d), suffered by the claimant as a result
12 of the prescribed fire or cultural burn;

13 (ii) Reasonable costs authorized for reimbursement by the
14 department under RCW 76.04.475, related to the prescribed fire or
15 cultural burn; or

16 (iii) Costs of suppression of an escapement for which a person is
17 liable to a third party.

18 (c) A claim for damage suffered as a result of a prescribed fire
19 or cultural burn started, spread, or otherwise caused by a criminal
20 or negligent act is not eligible for reimbursement under this
21 section.

22 (3) Upon submission of a claim, the department shall determine
23 and certify to the office of risk management whether the claim meets
24 the criteria in subsection (2) of this section.

25 (4) The office of risk management may reimburse an eligible claim
26 in an amount equal to or less than the actual losses suffered by the
27 claimant, not to exceed \$2,000,000 per claim. The payment of a claim
28 under this section is conditional on the availability of specific
29 funding for this purpose, and nothing in this section shall be
30 construed to create an entitlement to reimbursement or payment of any
31 claim. The total amount paid for claims may not exceed the amounts
32 available in the account established in subsection (7) of this
33 section.

34 (5)(a) The office of risk management shall collaborate with the
35 department, other relevant state agencies, the Washington prescribed
36 fire council, cultural fire practitioners, and certified burn
37 managers to establish guidelines governing the pilot program and the
38 administration of the account established in subsection (7) of this
39 section, including:

40 (i) Procedures for the submission of claims;

1 (ii) Any additional criteria for claim eligibility, as
2 appropriate; and

3 (iii) A methodology or structure for how the payment of claims
4 will be prioritized in the event that eligible claims exceed the
5 amounts available in the account established in subsection (7) of
6 this section.

7 (b) The office of risk management and the department may adopt
8 rules to implement this section.

9 (c) Guidelines and any rules adopted under this section must be
10 made publicly available on the websites of the office of risk
11 management and the department.

12 (6) This section does not limit the ability of a person to assert
13 a claim for damages arising from a prescribed fire under any other
14 law. A court shall offset any award of damages to a claimant under an
15 action arising from the same set of alleged facts by the amount of
16 reimbursement provided under this section.

17 (7) (a) The prescribed fire claims account is created in the state
18 treasury. Moneys in the account may be spent only after
19 appropriation. Expenditures from the account may only be used for the
20 reimbursement of claims under this section.

21 (b) Upon the expiration of this section, any remaining amounts in
22 the account must be deposited in the natural climate solutions
23 account.

24 (8) For the purposes of this section:

25 (a) "Certified burn manager" means a prescribed burn manager
26 certified under RCW 76.04.183 or a prescribed fire burn boss
27 certified under the national wildfire coordinating group standards.

28 (b) "Cultural fire practitioner" means a person approved by an
29 Indian tribe as having experience in burning to meet cultural goals
30 or objectives, including subsistence, ceremonial activities,
31 biodiversity, or other benefits.

32 (c) "Department protected lands" has the same meaning as in RCW
33 76.04.005.

34 (d) "Indian tribe" has the same meaning as in RCW 43.376.010.

35 (9) This section expires June 30, 2033.

36 **Sec. 3.** RCW 4.92.220 and 2002 c 332 s 18 are each amended to
37 read as follows:

38 (1) The risk management administration account is created in the
39 custody of the state treasurer. All receipts from appropriations and

1 assessments shall be deposited into the account. Only the director or
2 the director's designee may authorize expenditures from the account.
3 The account is subject to allotment procedures under chapter 43.88
4 RCW, but no appropriation is required for expenditures.

5 (2) The risk management administration account is to be used for
6 the payment of costs related to:

7 (a) The appropriated administration of liability, property, and
8 vehicle claims, including investigation, claim processing,
9 negotiation, and settlement, and other expenses relating to
10 settlements and judgments against the state not otherwise budgeted;
11 (~~and~~)

12 (b) The nonappropriated pass-through cost associated with the
13 purchase of liability and property insurance, including catastrophic
14 insurance, subject to policy conditions and limitations determined by
15 the risk manager; and

16 (c) The administration of the prescribed fire claims fund pilot
17 program under section 2 of this act.

18 (3) The risk management administration account's appropriation
19 for risk management shall be financed through a combination of direct
20 appropriations and assessments to state agencies.

21 NEW SECTION. Sec. 4. If specific funding for the purposes of
22 this act, referencing this act by bill or chapter number, is not
23 provided by June 30, 2025, in the omnibus appropriations act, this
24 act is null and void.

25 NEW SECTION. Sec. 5. Section 3 of this act expires June 30,
26 2033.

27 NEW SECTION. Sec. 6. This act is necessary for the immediate
28 preservation of the public peace, health, or safety, or support of
29 the state government and its existing public institutions, and takes
30 effect immediately.

Passed by the House March 7, 2025.
Passed by the Senate April 11, 2025.
Approved by the Governor April 21, 2025.
Filed in Office of Secretary of State April 21, 2025.

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