

First Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

DRAFT  
9/6/24

**BILL 7**

LLS NO. 25-0188.01 Caroline Martin x5902

**INTERIM COMMITTEE BILL**

**Wildfire Matters Review Committee**

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**BILL TOPIC:** Prescribed Fire Claims Cash Fund

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**A BILL FOR AN ACT**

101 **CONCERNING THE PRESCRIBED FIRE CLAIMS CASH FUND.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)*

**Wildfire Matters Review Committee.** The bill creates the prescribed fire claims cash fund (fund) in the state treasury and requires the treasurer to transfer \$1 million to the fund. The division of fire prevention and control (division) shall expend money from the fund to pay claims that are certified by the division in accordance with new guidelines as specified in the bill and as adopted by the director of the division. The division shall authorize a payment in the amount certified in a claim; except that the maximum payment that the division may

*Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words indicate deletions from existing law.*

authorize is equal to 10% of the amount of money in the fund at the time the claim is filed.

The division shall certify a claim that meets the following guidelines:

- The claim demonstrates, in sufficient detail, the costs or damages that resulted from the prescribed burn;
- The prescribed burn that resulted in the costs or damages was conducted in full compliance with statutory and regulatory requirements for prescribed burning;
- Before conducting the prescribed burn, the certified prescribed burn manager registered the written prescription plan for the prescribed burn with the division and paid an administrative fee; and
- No more than 60 days have passed between the completion of the prescribed burn and the date upon which costs and damages were incurred.

The bill gives rule-making authority to the director of the division to adopt rules and guidelines for the implementation and administration of the program and permits the division to contract with a third-party to administer, certify, and pay the claims. The bill also requires a claimant who accepts a payment that covers the full amount certified in the claim to waive all future claims related to the prescribed burn.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-33.5-1240 as  
3 follows:

4 **24-33.5-1240. Prescribed fire claims cash fund - rules -**  
5 **definitions.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT  
6 OTHERWISE REQUIRES:

7 (a) "CERTIFIED PRESCRIBED BURN MANAGER" MEANS A CERTIFIED  
8 BURNER THAT IS REQUIRED BY SECTION 24-33.5-1217 (3)(a) TO ATTEND  
9 A PRESCRIBED BURN OR A PERSON QUALIFIED BY NATIONAL WILDFIRE  
10 COORDINATING GROUP STANDARDS AS A PRESCRIBED BURN BOSS AT THE  
11 LEVEL COMMENSURATE WITH THE COMPLEXITY OF THE BURN THAT IS  
12 REQUIRED BY SECTION 24-33.5-1217.5 (1)(c) TO BE PRESENT ON THE SITE  
13 OF A PRESCRIBED BURN.

1 (b) "FUND" MEANS THE PRESCRIBED FIRE CLAIMS CASH FUND  
2 CREATED IN SUBSECTION (2) OF THIS SECTION.

3 (2) (a) THE PRESCRIBED FIRE CLAIMS CASH FUND IS CREATED IN  
4 THE STATE TREASURY. THE FUND CONSISTS OF MONEY TRANSFERRED TO  
5 THE FUND PURSUANT TO SUBSECTION (2)(b) OF THIS SECTION, ANY GIFTS,  
6 GRANTS, AND DONATIONS THAT MAY BE RECEIVED FOR CREDITING TO THE  
7 FUND, AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY  
8 APPROPRIATE OR TRANSFER TO THE FUND. THE STATE TREASURER SHALL  
9 CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND  
10 INVESTMENT OF MONEY IN THE FUND TO THE FUND.

11 (b) ON JULY 1, 2025, THE STATE TREASURER SHALL TRANSFER ONE  
12 MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND.

13 (c) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL  
14 ASSEMBLY, THE DIVISION SHALL EXPEND MONEY FROM THE FUND IN  
15 ACCORDANCE WITH THE FOLLOWING GUIDELINES:

16 (I) THE DIVISION SHALL AUTHORIZE A PAYMENT FROM THE FUND  
17 TO A CLAIMANT WHO SUBMITS A CLAIM THAT THE DIVISION HAS CERTIFIED  
18 IN ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION.

19 (II) THE DIVISION SHALL AUTHORIZE A PAYMENT IN THE AMOUNT  
20 CERTIFIED IN THE CLAIM; EXCEPT THAT THE MAXIMUM PAYMENT THAT THE  
21 DIVISION MAY AUTHORIZE FOR A CERTIFIED CLAIM ARISING FROM ANY  
22 SINGULAR PRESCRIBED BURN IS EQUAL TO TEN PERCENT OF THE AMOUNT  
23 OF MONEY IN THE FUND AT THE TIME THE CLAIM IS FILED.

24 (III) THE DIVISION SHALL MAKE EVERY EFFORT TO AUTHORIZE A  
25 PAYMENT IN THE AMOUNT CERTIFIED IN THE CLAIM BEFORE ANY OTHER  
26 CLAIM RELATED TO THE SAME PRESCRIBED BURN IS PROCESSED BY  
27 ANOTHER INSURER.

1           (3) THE DIVISION SHALL CERTIFY A CLAIM RELATED TO A  
2 PRESCRIBED BURN THAT MEETS ALL THE FOLLOWING REQUIREMENTS:

3           (a) THE CLAIM DEMONSTRATES, IN SUFFICIENT DETAIL, THE COSTS  
4 ASSOCIATED WITH SUPPRESSION AND ANY OTHER COSTS OR DAMAGES  
5 THAT RESULTED FROM A PRESCRIBED BURN;

6           (b) THE PRESCRIBED BURN THAT RESULTED IN THE CLAIM WAS  
7 CONDUCTED IN FULL COMPLIANCE WITH SECTIONS 24-33.5-1217 AND  
8 24-33.5-1217.5 AND WITH ALL OTHER RULES AND STANDARDS ADOPTED  
9 BY THE DIRECTOR IN ACCORDANCE WITH THOSE SECTIONS.

10           (c) (I) BEFORE CONDUCTING THE PRESCRIBED BURN, THE  
11 CERTIFIED PRESCRIBED BURN MANAGER REGISTERED THE WRITTEN  
12 PRESCRIPTION PLAN REQUIRED BY SECTION 24-33.5-1217.5 (1)(a) WITH  
13 THE DIVISION AND PAID AN ADMINISTRATIVE FEE OF ONE HUNDRED  
14 DOLLARS OR A GREATER AMOUNT AS ESTABLISHED BY THE DIVISION  
15 PURSUANT TO SUBSECTION (3)(c)(II) OF THIS SECTION TO THE DIVISION.

16           (II) THE DIVISION MAY INCREASE THE AMOUNT OF THE  
17 ADMINISTRATIVE FEE SET FORTH IN SUBSECTION (3)(c)(I) OF THIS SECTION  
18 BASED ON THE COMPLEXITY AND UNIQUE CHARACTERISTICS OF A  
19 PRESCRIBED BURN. THE DIRECTOR MAY ADOPT RULES OR GUIDELINES TO  
20 SET THE AMOUNT OF THE FEE.

21           (d) NO MORE THAN SIXTY DAYS HAVE PASSED BETWEEN THE DATE  
22 UPON WHICH THE PRESCRIBED BURN WAS COMPLETED, AS DETERMINED BY  
23 THE CERTIFIED PRESCRIBED BURN MANAGER, AND THE DATE UPON WHICH  
24 THE RESULTING COSTS AND DAMAGES SPECIFIED IN THE CLAIM WERE  
25 INCURRED; EXCEPT THAT THE DIRECTOR MAY ADOPT RULES AND  
26 GUIDELINES RELATED TO HOLDOVER FIRES AND OTHER UNIQUE FIRE  
27 CHARACTERISTICS.

1           (4) THE DIRECTOR MAY ADOPT RULES AND GUIDELINES FOR THE  
2 IMPLEMENTATION AND ADMINISTRATION OF THIS SECTION.

3           (5) UPON ACCEPTING A PAYMENT AUTHORIZED BY THE DIVISION  
4 THAT COVERS THE FULL AMOUNT OF COSTS AND DAMAGES CERTIFIED IN  
5 THE CLAIM, A CLAIMANT SHALL WAIVE ALL FUTURE CLAIMS RELATED TO  
6 THE PRESCRIBED BURN.

7           (6) THE DIVISION MAY CONTRACT WITH A THIRD-PARTY TO  
8 ADMINISTER, CERTIFY, AND PAY THE CLAIMS.

9           **SECTION 2. Safety clause.** The general assembly finds,  
10 determines, and declares that this act is necessary for the immediate  
11 preservation of the public peace, health, or safety or for appropriations for  
12 the support and maintenance of the departments of the state and state  
13 institutions.