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Des Moines, Iowa... The Iowa Department of Natural Resources, Bureau of Forestry has entered into a Partnership Agreement with the USDA Risk Management Agency to research and develop an insurance product that will provide liability coverage to individuals conducting prescribed burns on private land.

Prescribed fire is a well-accepted professional forestry practice and is a necessary tool for preventing or reducing the severity of wildfires on forested lands. However, due to budget and time constraints, State and Federal agencies and other non-governmental organizations have been unable to keep pace with the number of prescribed burns that need to take place on both public and private land.

Private contractors have been able to conduct prescribed burns on some private land in the past. However, more recently, the insurance climate has changed, forcing many insurance companies to cancel liability insurance for these private contractors. Currently, it is nearly impossible for private contractors to access prescribed burn liability insurance anywhere in the United States.

Iowa DNR is contracting with Agren, Inc., a consulting group located in Carroll, Iowa, to conduct the research and develop the liability insurance product. Agren has been involved in research and development of insurance products since 1996. Agren's background in prescribed fire stems from their ongoing relationship with the Golden Hills RC&D and the Loess Hills Alliance (LHA) of Western Iowa. In 2001, the RC&D and LHA contracted with Agren to research risk mitigation strategies for prescribed fire in the Loess Hills of Western Iowa. This

research led Agren to further examine the accessibility and availability of insurance for private prescribed burn contractors.

In July of 2002, the Risk Management Agency (RMA) Federal Crop Insurance Corporation released a Request for Applications that called for a project “To provide assistance to State Foresters, or equivalent officials, for the prescribed use of burning on private forest land for the prevention, control, and suppression of fire”. Agren, Inc. partnered with the Iowa Department of Natural Resources Bureau of Forestry to respond to this request with a proposal to develop a risk management tool that will reduce the risk of personal liability for professionals conducting prescribed burns.

The development process will take place in two phases. Phase I will focus on building the foundation for the insurance product and will include tasks such as an expert panel meeting; literature searches; compiling actuarial data; and a preliminary assessment of the data. If the preliminary data assessment is positive, Phase II will focus on developing and marketing the actual insurance policy. If determined feasible, it is hoped that the insurance policy will be on the market sometime in 2004. For more information about the project, contact Tom Buman at Agren, Inc., 712-792-6248.

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