

FEMA Resolves Several Hermit's Peak/Calf Canyon Fire Lawsuits, Establishes Processes that Benefit Third-Party Represented Claimants

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SANTA FE, N.M. — FEMA's Claims Office recently resolved seven lawsuits pending in federal court arising from the Hermit's Peak/Calf Canyon Fire. The settlements benefit claimants by expanding guidance on FEMA's communications with individuals represented by lawyers, establishing a cooperative process to streamline the review of lawyer-provided documentation, and allowing claims payments to be made into Interest on Lawyers' Trust Accounts (IOLTA) held by claimants' attorneys. The settlement terms apply only to claimants represented by counsel in the settled cases but can apply to any claimant whose attorney reviews and agrees to them.

"We have followed these court cases closely and believe their joint resolution benefit claimants represented by third parties," said Jay Mitchell, Director of Operations of the New Mexico Joint Recovery Office. "The resolution of these lawsuits allows the Claims Office to more efficiently process claims and speed up claimants' post-fire recovery."

The settlement provides for more efficient processing of third-party represented claims. Among other things, it changes the documentation submission timeline, whereby lawyers agree to submit organized and complete documentation to the Claims Office no later than 60 days after a claim is filed. This will accelerate the claims process for claimants represented by an attorney.

The settlement also provides that FEMA can continue communicating with third-party represented claimants using the Claims Office's "Intent to Proceed Without Counsel" form after attempting to reach claimant's counsel. This provides claimants the opportunity to quickly receive updates on their claims.



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“We support any resolution that enhances the claimant experience, improves the speed of payments, and increases transparency into our operations and the claims process,” said Mitchell, “Our staff will continue working closely with third-party representation, meeting with law firms both in group settings and one-on-one, to ensure compensable claims are processed for payment in an expedient manner. The improving and positive relationship we maintain with attorneys plays a crucial role in enabling our mission and ensuring claimants receive timely and fair compensation. We will continue to prioritize strategic and operational improvements so that claimants receive the support they need to file a claim by the November 14 deadline.”

FEMA is represented in the seven lawsuits by Samantha Kelly, Roberto Ortega, and Nicholas Sydow of the United States Attorney’s Office for the District of New Mexico. The United States Attorney’s Office continues to represent FEMA and other Federal Agencies in other litigation related to the Hermit’s Peak/Calf Canyon Fire. U.S. Attorney Alexander M.M. Uballez said, “Our number one goal is to ensure the fair, consistent, and timely handling of claims, as well as the expeditious dispersal of compensation to those impacted by the Hermit’s Peak/Calf Canyon fire. The speedy and amicable resolution of these claims helps to ensure that FEMA can meet the needs of New Mexicans through an equitable implementation of Congress’ directives in the Hermit’s Peak/Calf Canyon Fire Assistance Act.”

As of Aug. 1, the Claims Office has paid 318 third-party represented claims totaling \$162.9 million. Currently, there are 1,071 third-party represented claims totaling \$91.2 million awaiting claimant response.

Anyone impacted by the Hermit’s Peak/Calf Canyon Fire and subsequent flooding is encouraged to start a claim with the Hermit’s Peak/Calf Canyon Claims Office if they haven’t already. Per the Hermit’s Peak/Calf Canyon Fire Assistance Act, the deadline to submit a Notice of Loss is November 14, 2024.

Claims Office compensation is not taxable. Receiving payment from the Claims Office will not impact eligibility for government assistance programs. Contact a tax professional for specific tax-related questions. Questions and concerns can also be addressed by calling your claim Navigator or the Claims Office Helpline at 505-995-7133.



The Hermit's Peak/Calf Canyon Claims Office is committed to meeting the needs of people impacted by the Hermit's Peak/Calf Canyon Fire and subsequent flooding by providing full compensation available under the law as expeditiously as possible. At the time of publication, the FEMA Claims Office has paid \$996.6 million to claimants.

For information and updates regarding the Claims Office, please visit the Hermit's Peak/Calf Canyon Claims Office website at fema.gov/hermits-peak. For information in Spanish, visit fema.gov/es/hermits-peak. You can also follow our Facebook page and turn notifications on to stay up to date about the claims process, upcoming deadlines and other program announcements at facebook.com/HermitsPeakCalfCanyonClaimsOffice.

