

Compensation Available for Business Losses and Lost Income Resulting from the Hermit's Peak/Calf Canyon Fire Burn Scar Flooding

Release Date: August 13, 2024

SANTA FE, N.M. — Individuals and businesses impacted by the Hermit's Peak/Calf Canyon Fire ("fire) and new flood events from the burn scar may receive compensation for lost wages and business losses through the FEMA Hermit's Peak/Calf Canyon Claims Office ("Claims Office").

The fire, which devastated the region in 2022, continues to result in ongoing impacts, including the recent flooding in San Miguel County. These secondary effects have disrupted lives and livelihoods, leading to financial hardships for many. Those impacted are encouraged to begin a claim with the Claims Office or pursue additional compensation through an existing claim to receive relief.

"The fire was not a singular event. The aftermath of the fire and the cascading impacts we are seeing years later continue to present challenges for individuals and businesses in our community," said Jay Mitchell, Director of Operations for the New Mexico Joint Recovery Office. "We want to ensure the community knows there are resources available to help them recover financially."

Here is what is what you may be eligible to receive compensation for:

Lost Wages Compensation

The Claims Office offers compensation for individuals who have **documented** lost income. Examples of such losses include:

- **Workplace damage or closure:** Claimants whose workplaces were damaged or closed due to the fire or flooding.



- **Layoffs due to evacuation or closure:** Individuals laid off as a result of evacuations or workplace closures.
- **Inability to report to work:** Those unable to work due to temporary road closures, loss of transportation, business shutdowns, or evacuations.
- **Injury-related inability to work:** Those unable to work due to injuries caused by the fire or new flood events.

Business Loss Compensation

Owners of both nonprofit and for-profit businesses may also seek compensation for **documented fire- and flood-related losses**, such as:

- **Increase in expenses:** Increased business operation expenses due to effects of the fire or cascading effects.
- **Temporary closure losses:** Compensation for income lost based on decrease in revenue during temporary business shutdowns.
- **Temporary labor costs:** Expenses for hiring temporary labor necessitated by fire- and flood-related emergency events.
- **Expenses to mitigate losses:** Costs incurred for advertising closures, changing business hours, transitioning to online sales, etc.
- **Inability to return unsold inventory:** Financial losses from unsellable inventory.
- **Supply chain disruptions:** Losses from disrupted supply chains and canceled contracts.
- **Business failures:** Compensation for businesses that were forced to close permanently.
- **Canceled grants:** Permanently canceled grants to non-profits due to the fire or cascading effects.

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. **The deadline to submit a Notice of Loss is November 14, 2024, per the Hermit's Peak/Calf Canyon Fire.**

The Claims Office continues to observe an increase in claim submissions, temporarily leading to longer wait times and often preventing same-day issuance of Letters of Determination (LODs) for claims. We are actively working to reduce wait times and shorten processing times of claims.



FEMA

Page 2 of 3

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 more than \$1 billion 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.

