Testimony of

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Wildfire Preparedness: An Ounce of Prevention is Worth a Pound of Cure

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Thank you Chairman Grijalva and Committee Members for this opportunity to testify before the National Parks, Forests and Public Lands Subcommittee. This testimony is presented on behalf of the Western Governors' Association (WGA) and the State of Arizona.

My testimony today will focus on perspectives from the great state of Arizona and the west atlarge on the current status of wildfire preparedness and the changes needed to fully realize the benefits of preparedness relative to long-term suppression costs. My discussion points will start with progress made, or in some cases lack there of, on implementing the 10-year Comprehensive Wildfire Strategy. I will then move to discuss how we have adapted the collaborative efforts outlined in the 10-year Strategy at home, in Arizona, by discussing our comprehensive strategy which details how to deal with current and future threats to the public and private forestland within the state. And then I will conclude with a number of thoughts from a west-wide perspective on cost containment measures, firefighting needs, fuels treatments, and funding concerns.

As this hearing commences, there have been 42,628 fires that have burned over 1,475,775 acres this year. This wildfire season is forecasted to be severe and may result in a large amount of acres burned. When the Forest Service exhausts their suppression budget it has a direct impact on the agency's programmatic abilities. Fire seasons are increasingly longer and wildfires are occurring with higher frequency and these trends are projected to continue in the future.

The long range wildfire projections show that this trend of increased frequency and severity of wildfire in the West will continue into the future. For this reason, wildfire preparedness is very important to the federal agencies and state and local entities. Insect infestations, invasive species, fragmentation of forestland, increasing development in the wildland urban interface, loss of timber markets, prolonged drought and climate change all exacerbate our forest health problems and the need for increased wildfire preparedness.

<u>10-year Comprehensive Strategy</u>

The Western Governors' Association's Implementation Plan to the 10-Year Comprehensive Strategy "A Collaborative Approach for Reducing Wildland Fire Risks to Communities and the Environment"¹ is important to discuss when speaking about wildfire preparedness. The Strategy was requested by the Congress in 2000. Since then, the Strategy and its Implementation Plan have formed the basis for forest health efforts across the nation and significant progress has been made on the ground in using locally-driven collaborative approach developed in the Strategy in its Healthy Forests Restoration Act of 2003.

The action items agreed to in the first plan that the Governors signed with the Secretaries of the Interior and Agriculture in May 2002 have, for the most part, been completed. At the urging of WGA's Forest Health Advisory Committee, which conducted a review of the original plan in

¹ http://www.westgov.org/wga/pulbicat/TYIP.pdf

2004, the Governors updated the plan with the federal agencies, counties, state foresters, fire chiefs and stakeholders. The goals of the plan remain the same as in the 10-year Strategy. A collaborative approach is necessary to:

- Improve Prevention and Suppression of Wildfires
- Reduce Hazardous Fuels
- Restore Fire-Adapted Ecosystems
- Promote Community Assistance

The Implementation Plan puts additional emphasis in the following areas:

- Information sharing and monitoring of accomplishments and forest conditions to improve transparency;
- A long-term commitment to maintaining the essential resources for the plan;
- A landscape-level vision for restoration of fire adapted ecosystems;
- The importance of using fire as a management tool; and
- Continuing improvements in collaboration

The Implementation Plan was endorsed and sent to the Congress by WGA, the Secretaries of the Interior and Agriculture, the National Association of Counties and the National Association of State Foresters in December 2006². WGA's 60-person Forest Health Advisory Committee, comprised of national experts on fire fighting, forest health treatments and communities' role helped draft the implementation plan.

When fully implemented, the 10-Year Strategy and the Implementation Plan will use proactive measures to improve the health of our forests as a means to prevent catastrophic wildfires. As noted above, but to reinforce, these efforts require cross boundary work, full involvement of states and stakeholders, and, most importantly, a long-term commitment of time, resources and manpower. With large fires eating up the resources that are appropriated for suppression, full implementation, with adequate funding, of all four goals of the 10-Year Strategy is a wise and economical cost-containment strategy. The efforts to date have not lived up to expectations and needs. Yes, much progress has been and continues to be made in implementing the tasks under the 10-year Implementation Plan, but the funding proposed by the Administration and subsequently funded via Congress has not reinforced all four goals of the 10-year Strategy. If one looks at funding since the inception of the 10-year Strategy, the vast majority has gone to goal one, suppression and prevention. And rightly so in many regards, as protection of life and property is first and foremost. However, without balanced and proportionate investment in the other three goals of the 10-year Strategy, we will not make the on-the-ground progress the public expects, nor get ahead of the wildfire curve.

The bottom line is that the 10-year Strategy represents a proactive and comprehensive way to address wildfire and forest health issues. Funding needs to follow the same proactive,

² http://www.westgov.org/wga/press/tyip12-6-06.htm

and restoration (goal 3) and community assistance (goal 4). It is more cost effective and efficient to thin forests and protect communities in advance than to put out fires and repair their damage after the fact.

10-year Comprehensive Wildfire Strategy: An Arizona Evaluation

I would now like provide a good example of what we are talking about. I want to demonstrate how we in Arizona are translating the 10-year Strategy in landscape scale, comprehensive action at the state level. Governor Janet Napolitano created an Arizona Forest Health Advisory Council and the Forest Health Oversight Council in 2003 to address the increasing number, frequency and intensity of wildfires in the State of Arizona. The Councils established a subcommittee to draft a 20-year strategy and develop policy recommendations on forest health, the increase in wildland fire and community protection. The strategy has been developed by business people, environmentalists, ranchers, academics, elected officials, and federal, state and tribal land managers.

The *Statewide Strategy for Restoring Arizona's Forests* was developed with public input and sets the stage for the next 20 years of strategic and efficient restoration work. The Strategy takes into account the scientific information, the community collaboration and the economics of forest health needed to identify the future steps needed for forest restoration in the State of Arizona. As solutions are going to require everyone acting cooperatively, the Strategy recommends actions for Congress, Federal Land Management Agencies, the Governor and Executive Branch Agencies and Counties and Local Governments. All of the recommendations are based on five strategies for successfully restoring forests including:

- increasing the human and financial resources dedicated to restoring Arizona's forests and protecting communities,
- coordinating and implementing action at a landscape-scale so that limited dollars go further,
- increasing efficiency of restoration, fire management and community protection activities by prioritization,
- encouraging ecologically sustainable, forest-based economic activity by working to engage and encourage the private sector, and
- building public support for accomplishing restoration, community protection and fire management across the state

This strategy is specific to the State of Arizona but many of the recommendations can be examined at a national scale, especially the State's recommendations for Congressional action and the Land Management Agencies. The Strategy recommends increased funding to both federal land management agencies and to the state in order to increase capacity for collaborative work on restoration projects. This includes a focus on Community Wildfire Protection Plan (CWPP) implementation and fuels treatment funding which will in turn reduce national suppression costs.

Relative to the Land Management Agencies, the Strategy recommends collaborative planning and implementation across the board as well as specific items such as updating the annual Fire Management Plans. Also noted is the importance of CWPPs and the need for priority status for the implementation of projects identified by the CWPPs.

The *Statewide Strategy for Restoring Arizona's Forests* is an Arizona-specific document with national significance. This strategy will help guide Arizonans to use their resources in the most effective way possible and highlight the need for Congressional action and the Land Management Agencies to examine their current way of doing business. This document provides a landscape-level view that would be beneficial for the federal agencies and their partners to examine for complimentary strategies.

Cost Containment

As a starting point in any discussion of wildfire preparedness, the Forest Service and the DOI, and all wildland fire suppression entities, must be accountable for how much they are spending and how it is spent relative to wildfire suppression. The State of Arizona believes that it is important for both the Forest Service and the DOI to adopt necessary cost containment solutions in order to facilitate a decrease in wildfire suppression costs. The costs of wildfire are increasing every year and soon the 10-year average will be more than 45 percent of the total Forest Service budget.

The Forest Service and the Department of the Interior (DOI) have many recommendations from numerous internal and external sources in front of them on how to reduce suppression costs and increase fire preparedness. There are several reports that have focused on the need for increased cost containment and management practices by the federal agencies. I will touch on the two most recent reports that include recommendations that will help the agencies remain accountable for wildfire suppression costs. An additional note should be made that the *Implementation Strategy for the 10-year Plan* includes many important goals and strategies that will result in reduction of the suppression costs, both over the short and long-term. This is another good reason to focus on its full implementation.

The most recent and definitive assessment of cost containment was completed by the Wildland Fire Leadership Council (WFLC) in 2004

(www.fireplan.gov/reports/2004/costmanagement.pdf). On behalf of WGA, I co-chaired the Strategic Issues Panel on Fire Suppression Costs that facilitated the drafting of the report *Large Fire Suppression Costs – Strategies for Cost Management*. The report was endorsed by Western Governors and the WFLC. The report's recommendations provide a good starting point for ways to provide productive rewards for good cost decisions on the ground.³

http://www.westgov.org/wga/testim/fire-cost1-30-07r.pdf

³ See Testimony of Kirk Rowdabaugh, State Forester of Arizona (Co-Chairman, Strategic Issues Panel on Fire Suppression Costs) on behalf of the Western Governors' Association before the Senate Committee on Energy and Natural Resources, January 30, 2007.

The Strategic Issues Panel recommended seven primary actions to contain federal fire suppression costs. The first recommended action, to increase the level of accountability for large fire costs and their impacts by allocating suppression funds on a regional or equivalent basis, was intended to provide incentives to federal agency administrators for controlling costs. It was this single recommendation that the Panel believed would provide the greatest cost savings to the federal government because wildfire costs are driven by management decisions on the ground. The recommendation has yet to be adopted in any meaningful manner although it could lead to the greatest cost savings.

Another important report offering cost containment recommendations was just completed by the Brookings Institution in May 2007. The Brookings Institution recently released a report titled *Towards a Collaborative Cost Management Strategy* – 2006 U.S. Forest Service Large Wildfire Cost Review Recommendations. This report examines 20 fires that burned 1.1 million acres across 17 national forests in 2006. This report, conducted by an independent panel, determined that the agency had been fiscally diligent when managing the suppression activities related to these fires.

Along with reporting on the agency's fiscal diligence, the panel recommended areas for improvement related to fire suppression costs. Of import, the panel found that at best, implementation of cost containment actions could potentially result in around a 10% savings in wildfire suppression costs. It is obvious that cost containment alone will not solve our problem, but it is important to note that there are many actions the federal agencies could and still must take to improve the savings, notably incorporating and delegating cost containment considerations closer to the regional levels of the agencies.

It is worthwhile to note that the federal agencies have taken cost containment seriously and have undertaken several self-initiated cost containment measures including transitioning to riskinformed management. This measure allows for flexibility in the field and increased application of wildland fire use, a fire management method where natural fires are allowed to burn under monitored parameters. Further, the Forest Service and other agencies are moving to a centralized oversight system in order to better model fire behavior and cost. These efforts are a step towards lessening the demand on suppression dollars, but more changes are necessary to eliminate the drain on the federal agencies' budget for other programs.

Wildfire preparedness is the ability to prepare for wildfire before it happens and respond to a wildfire in the most effective and efficient manner when it happens. It is vitally important that preparedness be looked at across the spectrum of wildfire responders, federal, state and local, especially related to initial attack. Too often the focus is only on the federal preparedness level. Advancements need to be made for minimal investment in local and rural fire departments in general. This will result in significant costs savings as successful wildfire preparedness results in a reduction of the wildfire threat itself.

Suppression Costs and Related Factors

Wildfire suppression costs are increasing with every fire season. These costs will continue to rise as forest health declines. It is very important to recognize that cost containment is not the sole solution to this issue. That is not to say that the federal agencies do not have steps they can take to ensure the most efficient federal wildfire suppression apparatus. But the real story here is that a solution is needed for our current suppression budgeting crunch as explained below.

Within the Forest Service budget, suppression costs are allocated based on a 10-year average. Due to the increase in catastrophic wildfire, this 10-year average allocation increases every year. A problem arises as the Forest Service operates under an overall flat budget. Basically, their budget does not increase along with the rise in the 10-year average, meaning that all other programs under the agency get squeezed, eventually having suppression funds eat away at all the other Forest Service programs. One branch of the USFS, State & Private Forestry (S&PF), is of particular concern here as these programs provide necessary fuels treatment work, Community Wildfire Protection Plans in high-risk communities and other benefits that contribute to the reduction of suppression costs and an increase in preparedness. These S&PF programs have been eroded over the years due to the ever increasing cost of suppressing large wildfires.

The astronomical suppression costs impact both types of preparedness; fire fighting and fuels treatment. As these costs continue to rise, if a solution is not found, successful initial attacks and the ability to reduce dangerous fuel levels before fires start will become a thing of the past. As suppression costs draw down the funding available for fuels treatment and preparedness activities, the ability for the agencies and other entities to work on pre-suppression activities is limited. These pre-suppression activities accomplished though numerous State & Private Forestry programs help to reduce the future suppression costs.

It is important to note that 1% of fires burn upwards of 95% of the acres and consume 85% of the total suppression costs⁴. These figures demonstrate that much of our suppression expenditures could truly be treated as emergency funding. We propose that a new fiscal funding mechanism, with strict cost management controls, needs to be found for suppression.

The National Association of State Foresters has proposed a solution to reduce suppression costs and change the current budget formula to reduce the borrowing of funds from other Forest Service programs. The National Association of State Foresters (NASF) proposes a partitioning of the Forest Service budget by introducing a budget set-aside for a flexible suppression spending account that would be linked to rigorous cost containment management controls and agency line officer incentives.

As budget pressures and cost savings are realized in this process, it needs also to be realized that those monies should be reinvested into USFS programs that reduce wildfire threat and help to

⁴ See NASF *Federal Wildland Fire Suppression Costs: Budget Reform* issue paper, May 29, 2007 http://www.stateforesters.org

further reduce suppression costs. We believe that Congress should facilitate a resolution of this funding issue in order to promote the use of appropriated dollars for the original intent of those moneys. The need for a reevaluation of wildfire suppression budgeting and the effect that the current budgeting format has on the other Forest Service programs is a crucial step in increasing the Forest Service's wildfire preparedness in the State of Arizona and throughout the West.

We believe that a solution to the ever increasing suppression costs is crucial to the future of the Forest Service. If no solution is found, the Forest Service will become the "Fire Service" and will not have a programmatic offering, just a fire fighting service.

Preparedness

As suppression costs eat up more of the federal agencies budget, the ability for the agencies, and States and locals to fight wildfire at their current success rate is impossible. Suppression costs have pulled funds from programs that enable improved initial attack, such as Volunteer Fire Assistance and Hazardous Fuels treatment. The more successful the state and local firefighters are, the larger the reduction in federal suppression costs. As the wildfire capacity of the federal agencies diminishes and the maturation and skills of the state and local firefighters increase, the need for programs that provide funding to prepare for fire and fire fighting becomes more important.

Related and of note, the recent House Interior Appropriations Subcommittee markup of the FY08 spending bill has some very insightful language relating to state and local preparedness under the Cooperative Fire Programs that we are supportive of. Allowing state and locals to pilot preparedness and suppression responsibilities on federal lands will demonstrate and prove their efficiency and effectiveness in relation to federal resources. This is not to say that a sole shift to state and local preparedness is in order, because wildland firefighting is only successful in full, cooperative partnership between the federal, state and local agencies. But it is to say that we should be experimenting with our traditional approaches to the issue of preparedness.

Another important factor essential to reducing catastrophic wildfire is community planning. CWPPs allow communities to set priorities for treatment and reduce their risk. Over 1,100 CWPPs have been completed nationally covering more than 3,300 communities and there are at least 450 plans moving towards completion. A significant problem here is that there are many fuels treatment projects that have been identified by CWPPs that are unable to be completed due to lack of funding. In Arizona alone, we have 300,000 acres identified by communities, National Environment Policy Act (NEPA) approved and in need of treatment, but implementation is slowed by funding. These important projects hang in the balance due to the ever increasing suppression costs siphoning money from other Forest Service Programs.

The federal agencies have been partnering with state and local fire fighting departments and communities for fire fighting and for completion of work on the ground. Programs such as State Fire Assistance (SFA), which is the only federal program that supports work on private lands, are crucial to decreasing the suppression costs. The SFA program funds CWPPs, fuels treatment

work on private lands, education and preparedness and in turn reduces wildfire suppression costs. NASF estimates an accurate reflection of funding needs for this program is \$145 million per year. The current funding proposal from the Administration included only \$68.1 million for SFA. Luckily the House FY08 Interior appropriations bill markup restored funding to last year's level.

As I explained earlier in my testimony, wildland firefighting is only successful when it occurs in full, cooperative partnership among the federal, state and local agencies. Federal agencies partner with state and local fire departments and communities for fire firefighting activities. This partnership has been damaged by the recent and unprecedented legal proceedings associated with the fatalities that occurred during the 2001 Thirtymile Fire in the State of Washington.

The legal proceedings that followed the Thirtymile Fire resulted in threats to firefighter morale, recruitment and retention, and safety; and the impacts are being felt at all levels of the national fire community. The issue of "firefighter liability" will continue to impact the ability for federal agencies and state and local fire departments to work together to fight wildland fire.

The ability for firefighters on the front line to share information during safety investigations with the agencies is paramount. This information must be candid and complete in order to improve firefighter safety and enhance risk management practices during wildland fire events. When the internal safety investigations are no longer internal documents, the ability for the agencies to conduct "lessons learned" investigations is eliminated. Along with information sharing, the scope of duty for firefighters is very important when discussing firefighter liability as well as the availability of information and resources (such as liability insurance).

The House Interior Appropriations Subcommittee markup of the FY08 spending bill included a directive that the Forest Service should report to the Committees on the "firefighter liability" situation and suggest appropriate remedies. The Committee expressed their concern about recent reports that fire fighters may be subject to personal liability for on-the-job activities during emergencies.

Individual firefighter civil and criminal liability, in the absence of obvious criminal intent, needs to be resolved on a national level. Until a solution is found that limits the civil and criminal liability of wildland firefighters, wildfire preparedness will continue to be compromised. The issue of firefighter liability impacts firefighting manpower and the ability to be prepared to fight wildland fire.

Another issue impacting wildfire preparedness is the need for an aviation strategy that addresses the current wildland firefighting needs. A significant portion of the National Interagency Aviation Strategy, especially the section on large air tankers, focuses on the past rather than the future role of aviation needs. The strategy uses the 2002 large air tanker capacity as one of the benchmarks for future aviation needs. There are opportunities to explore additional criteria for aviation needs in today's changing world of wildland fire. This should be explored in

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Wildfire risk within the WUI is becoming more complex and dangerous due to many factors, including drought, climate change, forest fragmentation and increasing human population. Fuels treatment and community-based stewardship projects to help restore forest health are important aspects of reducing the wildfire risk to WUI communities.

The Forest Service and DOI treated four million acres of land in 2006. Two million of those acres were in WUI areas. There are millions more acres that are in dire need of treatment. The number of acres that receive treatment will decrease as the funding for hazardous fuels reduction is diverted to fund suppression activities. Improving fuel conditions and ecosystem health on the landscape is an important part of limiting the spread of wildfire. We believe that the four million acres treated in 2006 is a commendable start, however, in the future, acres need to be treated based on priority. The current funding for hazardous fuels treatment does not allow for the treatment of priority acres, often the acres treated are the ones that cost the least to complete. For this reason, the use of "acres treated" as a metric for success does not tell the full story. The relevance of this metric should be re-examined.

Mr. Chairman, thank you for the opportunity to present the views of the great State of Arizona on wildfire preparedness.