

**Statement from
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United States Department of Agriculture
Before
House Committee on Appropriations
Subcommittee on Interior, Environment and Related Agencies
Concerning
Options for Wildfire Suppression Funding**

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INTRODUCTION

Mr. Chairman, Mr. Simpson, and members of the Subcommittee, thank you for the opportunity to testify today on Federal wildland fire management and options for funding this activity.

WILDLAND FIRE MANAGEMENT

The Forest Service takes seriously the protection of people, property and valuable natural resources from wildfire. The Forest Service is prepared for the 2009 wildland fire season and will be staffed to provide safe, effective fire management. We will have available firefighting forces – firefighters, equipment, and aircraft – comparable to 2008 with more than 10,000 firefighters, and we will have equal or greater numbers of aviation, engines and other equipment assets on the ground. The agency will expand strategic centralized management and pre-positioning of aviation assets in order to constantly improve management effectiveness and increase cost efficiency.

We will continue our commitment to successful initial attack of wildland fire. For the last several years the agency has faced 10,000 or more wildfires a year with an average of 98% success on initial attack. This will be carried out, however, with full attention to fire fighter safety as the foremost principle. Reduced exposure to unnecessary risk during fire incidents will continue to guide fire management decisions and will anchor our actions. Additionally, we will continue to actively work with communities to expand their

capacity to be safe from damaging fire. We will continue to make fuels treatment in wildland urban interface areas a priority, assist localities to build their response capability, and work collaboratively with local communities in wildfire prone areas to understand the role of fire in these landscapes and help find ways to take actions to mitigate risk.

Wildland fire and wildland firefighting are influenced by a complex set of environmental and social factors. Fires in recent years have become larger, consuming more acres, and fire seasons have grown longer due to climate change¹, persistent drought and hazardous fuels accumulations². In addition, the expansion of development within the wildland urban interface (WUI) has increased the complexity of fighting wildland fire. These trends are not expected to change. In fact, it is expected that climate change will continue to result in environmental responses that bring greater probability of longer fire seasons and bigger fire events in most regions of the country. Weather shifts and cumulative drought effects will further stress fuels accumulations and are predicted to result in more total fire on the landscape and potentially more large fires. Additionally, although current economic conditions have slowed, growth in wildland areas, regional shifts in population and demographic trends point to more seasonal recreational homes and full time residency in areas adjacent to forested public lands. These factors, as well as the management framework and decisions during some fire incidents, have caused costs to rise and force annual fire suppression expenditures to have frequently routinely exceeded the ten-year average.

¹ Joyce, L.A. et al. (2008) Chapter 3 National Forests in US Climate Change Science Program: Preliminary review of adaptive options for climate-sensitive ecosystems and resources> A Report by the U.S. Climate Change Science Program and Subcommittee on Global Change Research.[Julius, S.H., J.M. West (eds.), J.S. Baron, L.A. Joyce, P. Kareiva, B.D. Keller, M.A. Palmer, C.H. Peterson, and J.M. Scott (Authors)]. U.S.Environmental Protection Agency, Washington, DC, USA, 873 pp.

² Westerling. A.L., H.G. Hidalgo, D.R. Cayan, T.W. Swetnam. 2006. Warming and Earlier Sproing Increase Western U.S. Forest Wildfire Activity. Science.313 (5789): 940-943.

IMPACTS OF A CHANGING AND EXPANDING FIRE ENVIRONMENT

Currently, ecosystems across the country are out-of-balance with fire. The trends are for fire to expand across the landscape. Managed fire can help return some fire adapted ecosystems to health and prevent heavy accumulations of highly flammable fuels. But, current conditions can mean more extreme fire that puts people and natural resources at risk. We must be prepared to cope with increasing acres burned by over the next five years, more extreme fire behavior, and asymmetrical fire patterns on the landscape. These factors could affect cost. For example, although the agency successfully suppressed 98% of all wild fires on initial attack, forty wildfires grew to become “megafires” (.25 of 1%) representing more than half of the Forest Service expenditures on wildland fire.

This Administration makes the protection of communities, the environment, and firefighter safety a priority. The factors described above increase firefighting complexity and have contributed to increased expenditures by the agency. The inflation-adjusted ten-year average for wildland fire suppression, \$1.5 billion, is more than twice the FY 2001 level. These increases in turn elevate the 10-year average for wildland fire suppression used in the Budget formulation. Therefore, the Wildland Fire Management budget has grown significantly and now makes up over 48% of the Forest Service discretionary budget. Because the Budget reflects the Administration’s priorities within a constrained budget environment, escalating suppression and fuels treatment obligations have been absorbed within the agency’s discretionary totals. In recent years lower amounts have been available for other mission critical programs across the agency. The President’s Fiscal year 2010 budget addresses this as discussed below in this testimony.

The Forest Service has spent over \$1 billion annually fighting wildfires in 5 out of the past 7 years. In addition to the increasing size of the Wildland Fire portion of the overall budget, approximately \$1.9 billion has been transferred from non-fire agency programs to help cover fire suppression operations costs since FY 2002. Fire transfers typically occur in the final months of the fiscal year and these transfers coupled with the shifting of personnel resources from program work to work associated with wildfire suppression

response have resulted in considerable work disruption, delay, postponement, and even cancellation of projects. While this transfer authority is useful to ensure that there will not be a lapse in emergency firefighting activities due to a lack of funding, this has affected the agency's ability to deliver its program of work, and has reduced accomplishments and impaired partnerships, even when the transferred funds were repaid through supplemental appropriations.

The Forest Service has adopted substantive management reforms to mitigate this cost trend. The agency partners have spent significant effort and resources over the past several years to coordinate capability, improve inter-governmental communication, and employ management controls to ensure effective response and raise efficiency. At the same time we have instituted management controls with increased attention to cost and will strive to manage our operations within the amounts appropriated to manage wildland fire. We are expanding these efforts for the current fire season and beyond. However, we recognize that despite our best efforts, circumstances may occur that lead obligations to exceed these appropriated amounts. In the event of this we are pleased that the committee has indicated interest in helping to address the impacts of growing fire suppression costs on the agency and recognize the need for program refinements.

Historically, fire suppression has not always been funded the same way. The agency has received appropriations to a separate account, it has borrowed funds from working accounts that were then reimbursed such as the KV fund, and several years ago we operated with a cap adjustment available to this committee that acted as an emergency fund if costs exceeded the allocation. The Administration has proposed another approach that would provide for a contingent reserve with the agency's budget. There is more than one "right" way to fund this important function and to release the pressure off of other critical mission work of the agency.

The FY 2010 President's Budget for the Forest Service and the Department of the Interior reflects the President's commitment to wildfire management and community protection by establishing new \$357 million contingent reserve funds dedicated to addressing

catastrophic wildfires in addition to fully funding the ten year average of suppression costs adjusted for inflation at \$1.5 billion. This nearly \$1.9B in funding is coupled with program reforms that ensure fire management resources are focused where they will do the most good. Funds from the contingent reserve will be used only if needed and available upon issuance of a Presidential finding. By establishing a dedicated fund for catastrophic wildfires, fully funding the inflation- adjusted ten year average of suppression costs, and providing program reforms, the Budget may reduce the need for agencies to transfer funds from non-fire programs to pay for firefighting when their appropriated suppression funds are exhausted.

As mentioned above, the President's 2010 Budget establishes a new discretionary contingency reserve for wildfire suppression. However, funding is only one part of wildland fire management policy. The President's Budget also reflects the commitment of this Administration to implement program reforms to allow wildfire to reassume its ecological function on the landscape and ensure fire management resources are focused where they will do the most good. We look forward to working with this Committee on this very important priority of the Administration after the 2010 Budget is released.

The agency is very pleased with the President's Budget for FY 2010. It provides funding at levels that equips the agency to help restore and manage the Nation's forests. It also recognizes problems with how fire suppression has been funded. The Administration developed a proposal as part of the Forest Service's budget addresses the fire transfer problem by adding a contingent reserve of \$282 million and provides funding increases commensurate with the increase in the 10-year average suppression costs. It will require the help of Congress. We are also aware of H.R. 1404, the FLAME Act, introduced in the House that aims to accomplish the separation between routine wildland fire management and large, catastrophic fire events. While the Administration has not adopted a view on H.R. 1404, we recognize the sincere effort of the sponsors of the FLAME Act to address this issue. We believe that the goals of both the Administration's proposal and the FLAME Act are compatible. We welcome the chance for the Administration and Congress to work together to find the best solution. Our hope is that

the Administration and Congress can find a compatible solution, and we look forward to working together with the Congress on approaches that it is considering. The key principle is to find the best way to address this vexing issue. We imagine a day when we have the opportunity to effectively address catastrophic wildfires and to have adequate resources to assist in the creation of new wood-based industries to create jobs, such as through the expansion of wood-to-energy and alternative fuels goals through wood, ethanol, and other bio-fuels to support our nation's independence from foreign oil.

FIRE MANAGEMENT IS EVOLVING TO A NEW ERA

The wildland fire program in the two Departments is strong and moving in a positive direction. We are committed to continued improvement to increase our effectiveness and maximize our efficiency. The agency continues to face challenges that will make management of wildland fire complex, demanding and expensive. However, we have taken steps to manage costs and are adopting techniques to apply before and during fire incidents that work assertively to advance risk-informed fire management, operational efficiencies, utilization of research and technology, and targeted program implementation to reduce fire-related impacts. Specifically, these actions include:

- The Forest Service will continue to reduce hazardous fuels on priority lands. From 2001 through 2008, together, with our partners at the Department of the Interior, we have treated over 29 million acres on federal lands, including about 15 million acres treated in the wildland-urban interface.
- We will continue our focus on hazardous fuels treatments in wildland-urban interface areas and in fire-adapted ecosystems that present the greatest opportunity for forest restoration and to reduce the risk of severe fires in the future;
- The American Recovery and Reinvestment Act provides \$500 million to reduce hazardous fuels and restore forest health on federal and other lands, through partnership, including up to \$50 million to promote woody biomass as renewable energy. These funds will greatly expand the effort to reduce dangerous accumulations of fuels, create private sector jobs in hazardous fuels reduction and

alternative energy, and help support local economies. We will begin projects promptly and most will be completed within 2-3 years;

- The Forest Service will continue the quest to constantly improve decision-making on wildland fires. The agency will employ new decision support tools, through the Wildland Fire Decision Support System, to give managers better information to estimate risk and better ways to predict what may happen during a fire. The decision support process is intended to guide and document wildfire management decisions. The process will provide situational assessment, analyze hazards and risk, define implementation actions, and document decisions and rationale for those decisions. For fires that escape initial attack, we will incorporate these science-based computer models and couple them with improved risk management approaches as part of the agency continuing effort to safeguard lives, protect communities and important natural resource values and restore ecosystem health. These fire management reforms are aimed at improving fire management decisions, increasing firefighter and public safety, and are anticipated to provide cost-effective and accountable outcomes from investments made in managing fire on the landscape.
- Prior to the western fire season, National Incident Management Organization teams will work with National Forests to train personnel in the use of decision-support tools and technology. In addition, these teams will work with National Forests to practice use of these tools and fire management strategies for the upcoming fire season.
- We will continue to work on enhanced response and efficiency that comes from national shared resources, aviation resources management, pre-positioning of firefighting resources, and improvements in aviation risk management for safe engagement.
- We have completed an Interagency Aviation Strategy that looks to address a current aviation fleet that is aging and costs of maintenance increasing. The strategy focuses on meeting current needs and maintaining effective capability for aerial fire fighting support through innovation, new technology and partnership.

- We will continue after action review of fire incidents to apply lessons learned and best practices to policy and operations.

The Forest Service and Department of the Interior partner agencies have the best wildland firefighting organization in the world and together with our state, local, and tribal government partners work to maintain our operational excellence and continually improve the safety and effectiveness of the fire management program.

CONCLUSION

This concludes our statement. We would be happy to answer any questions that you may have.