How Congress Can Improve Wildfire Funding Accountability and Transparency

Principles to Maximize Investments in Risk Reduction, Suppression, and Recovery

In a time when wildfires are growing increasingly frequent and destructive, the need for greater transparency and effectiveness of federal wildfire funding is urgent. In recent years, Congress has allocated historic levels of funding to help the nation address wildland fire and has made generational investments in wildland fire risk reduction, suppression, and recovery. However, insufficient tracking of this spending across agencies and programs, inconsistent agency budget structures, and a lack of comprehensive metrics for success make accountability and evaluation of these investments challenging.

On the following pages are four guiding principles federal leaders can follow in order to improve the transparency and accountability of public investments in wildfire management. These principles represent a convergence of research and perspectives from leading organizations in wildfire policy, including The Pew Charitable Trusts, Taxpayers for Common Sense, Federation of American Scientists, Megafire Action, Alliance for Wildfire Resilience, and BuildStrong America and are aligned with the Wildland Fire Mitigation and Management Commission's report to Congress, submitted on September 27, 2023.¹

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Our organizations are steadfast in advocating for Congressional action to improve wildland fire budgeting and funding. For more information please reach out to the contacts below.

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Principle 1. Wildfire spending should be more comprehensively tracked and reported and federal agency budgets for wildfire should be better coordinated.

The Problem

Currently, multiple federal agencies spend on wildfire management activities across many programs and there is no comprehensive tracking of expenditures.² These programs are structured differently (for instance, FEMA's Fire Management Assistance Grants versus US Forest Service suppression activities) and funding tracking efforts lack a unified approach.³

The Solution

Congress should direct the Office of Management and Budget to develop budget cross-cuts for wildland fire-related funding or fund agencies to produce interagency budget crosscuts of wildfire spending. Congress should also conduct a review of current budgeting practices.

The Impact

- Validation for funding requests: A budget crosscut could enable a better understanding of total federal
 wildfire funding expenditures, which could help inform and validate future funding requests. It could highlight
 gaps or areas of underinvestment and thus help ensure that some geographic areas, programs, or activities
 do not get left behind.
- Improved oversight: Given the diversity of wildfire funding streams, better tracking and coordination would improve Congress's oversight capacity, particularly given the multiple committees of jurisdiction that touch wildfire activity.
- Informing funding levels: Tracking could establish a baseline of current spending before, during, and after fires to show where pre-fire mitigation could be a more effective application of resources.⁴
- Enhanced interagency coordination: A more holistic view of funding streams could help agencies align their activities and missions to the greatest effect.
- Improved intergovernmental coordination: Greater standardization and alignment of federal efforts would facilitate data tracking efforts at other levels of government.⁵

Relevant Recommendation from the Wildland Fire Mitigation and Management Report to Congress: 123

Principle 2. The federal government should continue to sustain and expand its investments in mitigation in order to reverse the trend of ballooning wildfire suppression costs.

The Problem

In the past, when fire suppression funds were exhausted, agencies often resorted to transfer funds appropriated for pre-fire work to pay for suppression, a practice known as fire borrowing. Fire borrowing perpetuates a vicious cycle in wildfire suppression, diverting resources meant for wildfire prevention and risk mitigation and leading to potentially steeper future suppression costs.

The Solution

Congress should provide sustained and robust funding for mitigation work that could provide meaningful risk reduction.

The Impact

- Reduce the risk of future wildfires: As mitigation work progresses over time (while using the right metrics to evaluate progress, see principle 4), the risk of wildfire should decrease accordingly.
- Reduce suppressions and recovery expenses: As wildfire risks are reduced, the proportional need for suppression and post-fire recovery expenses should go down as well.

Relevant Recommendations from the Wildland Fire Mitigation and Management Report to Congress: 120, 124, 130

Principle 3. The federal government should find ways to help states and local governments better access federal resources and make their own investments to lessen the overall cost of wildfires.

The Problem

Despite recent significant federal funding for mitigation, barriers persist to allocating sufficient resources toward mitigation. These include the continued prioritization of fire suppression, difficulty in accessing and managing federal mitigation funds (especially for under-resourced communities), and the gap between the scale of mitigation required to reduce overall wildfire risk and available resources. ⁶

The Solution

Provide continued, dedicated federal funding for mitigation activities. Create incentives or conditions to encourage or require non-federal investments. Provide capacity building and technical assistance to ensure effective and equitable use of existing funding, including through increased information sharing.

The Impact

- Maximizing funding: Supplementing federal mitigation funding with state and local investments can provide significant opportunities to implement additional and more ambitious risk reduction measures.
- Building non-federal capacity: Improving state and local workforce capacity can facilitate the access to and implementation of federal funds.

Relevant Recommendations from the Wildland Fire Mitigation and Management Report to Congress: 3, 4, 50, 134, 142

Principle 4. Federal agencies should use outcome-based performance metrics to evaluate the success of continued and expanded mitigation investment.

The Problem

Using metrics that emphasize numbers over desired outcomes may misguide mitigation priorities. For example, focusing on the board footage of harvested timber may lead to an emphasis on commercial output over risk reduction and resilience; maximizing acres treats may lead to prioritizing areas that are cheapest to treat over areas with the most risk.

The Solution

Use outcome-based performance metrics, such as the number of protected assets, communities, etc. as opposed to number of acres treated or timber volume. Using these metrics will also better inform policy makers and appropriators of the effectiveness of various mitigation investments, informing future policy decisions and increasing budget transparency and accountability. Agencies should design metrics based on desired outcomes such as reducing risk and creating resilience by increasing biodiversity, protecting watershed, and restoration, for example.

The Impact

- Maximizing return on investment: Given that federal resources are limited, using outcome-based metric could maximize return on investment and better protect communities.
- Inform future actions: Using outcome-based performance measures will better help policymakers and agencies understand the costs and benefits of various mitigation activities.

Relevant Recommendations from the Wildland Fire Mitigation and Management Report to Congress: 147

Endnotes

- 1 The Wildland Fire Mitigation and Management Commission, "ON FIRE: The Report of the Wildland Fire Mitigation and Management Commission" (2023).
- The Pew Charitable Trusts, "Wildfires: Burning Through State Budgets" (2022), https://www.pewtrusts.org/en/research-and-analysis/reports/2022/11/wildfires-burning-through-state-budgets.
- 3 Taxpayers for Common Sense, "Clearing the Smoke: A Closer Look at Federal Spending and Programs on Wildfire" (2023), https://www.taxpayer.net/climate/clearing-the-smoke-a-closer-look-at-federal-spending-and-programs-on-wildfire.
- The Wildland Fire Mitigation and Management Commission, "ON FIRE: The Report of the Wildland Fire Mitigation and Management Commission" (2023): 221, https://www.usda.gov/sites/default/files/documents/wfmmc-final-report-092023-508.pdf. "The Commission believes that a government-wide crosscut would provide a number of benefits. It would enable a better understanding of total federal wildfire funding expenditures, which could help inform and validate future funding requests. This comprehensive cross agency tracking would increase transparency and accountability about how federal dollars are being spent on wildfire, including where investments are being focused. The crosscut could, for example, show how federal spending is being allocated across pre-fire, post-fire, and response-related activities, which the Commission sees as important to support a much-needed rebalancing in funding priorities toward proactive mitigation and post-fire recovery. It could also help with tracking spending on wildfire-related activities overseen by different congressional committees. Additionally, this approach would better highlight gaps or areas of underinvestment and thus help ensure that some geographic areas, programs, or activities do not get left behind."
- For more information on these topics, see The Pew Charitable Trusts, "Wildfires: Burning Through State Budgets" (2022), https://www.pewtrusts.org/en/research-and-analysis/reports/2022/11/wildfires-burning-through-state-budgets.
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