Shared Principles for Wildfire Funding, Accountability, and Transparency

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Wildfires in the US have become increasingly intense and destructive, imposing hundreds of billions of dollars in costs. As these costs continue to drain the federal government of billions of dollars per year, it is critical to improve how the federal government funds wildfire activities and tracks that spending.

Additional investments are needed to bring down the overall costs of wildfire to society, but these investments must be properly tracked and analyzed to ensure that they are put to best use for long-term risk reduction and cost savings. At present, insufficient tracking of spending across agencies and programs, inconsistent agency budget structures, and a lack of comprehensive metrics for success make accountability and evaluation of current and future investments challenging.

Below, we present four guiding principles that federal and subnational leaders can use to improve the transparency and accountability of public investments in wildfire management, including risk-reduction, suppression, and recovery activities. 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, and the Alliance for Wildfire Resilience.

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

The Problem

Multiple federal agencies fund wildfire management activities across a wide range of programs, yet there is no comprehensive system for tracking expenditures, let alone measuring successful outcomes.[1] These programs are structured differently, making them difficult to compare, and existing efforts to track spending lack a unified approach.[2]

The Solution

Congress should pass legislation to develop a budget crosscut for wildland fire-related funding or provide funding for agencies to produce an interagency budget crosscut of wildfire spending. Congress should use this crosscut to improve the efficiency and effectiveness of federal wildfire spending.

The Impact

- Validate funding requests: A budget crosscut would provide a more complete picture of federal wildfire spending, helping inform and justify future funding requests. It could identify funding gaps or areas of underinvestment and help ensure that geographic regions, kinds of programs, and types of activities are not overlooked.
- Improve oversight: Better tracking and coordination would strengthen congressional oversight of the many wildfire funding streams, which is particularly important given the multiple committees with jurisdiction over wildfire policy.
- Inform funding decisions: Comprehensive tracking could establish a baseline for spending before, during, and after wildfires, helping Congress and agencies identify where greater investment in pre-fire mitigation could reduce long-term costs.[3]
- Enhance interagency coordination: A more complete view of wildfire funding could help agencies better align their activities and missions.
- Improve intergovernmental coordination: Greater standardization and alignment of federal efforts would also support data tracking and coordination at the state and local levels.

Principle 2. Federal agencies should use outcome-based performance metrics focused on protecting landscapes and communities to evaluate the effectiveness of wildfire investments.

The Problem

Using metrics that emphasize outputs over desired outcomes may misguide suppression, mitigation, and recovery 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 treated may lead to prioritizing areas that are cheapest to treat over areas with the most potential for risk reduction.

The Solution

To evaluate the effectiveness of wildfire investments, agencies should use outcome-based performance metrics rather than measures such as acres treated or timber volume. These metrics would better inform policymakers and appropriators about the effectiveness of suppression, mitigation, and recovery investments, improving future funding decisions, transparency, and accountability. Agencies should design performance measures around desired outcomes, including reducing wildfire risk, improving rural economies, hardening infrastructure, protecting watersheds, and improving landscape health.

The Impact

- Maximize return on investment: Given that federal resources are limited, using outcome-based metrics could maximize return on investment and encourage investment that better protects communities.
- Inform future actions: Using outcome-based performance metrics will better help policymakers and agencies evaluate the costs and benefits of different suppression, mitigation, and recovery strategies and improve future investments.

Principle 3. The federal government should continue to provide dedicated suppression funding through a cap adjustment via the Wildfire Suppression Operations Reserve Fund to avoid fire borrowing and ad hoc emergency supplemental appropriations. Annual suppression funding should reflect a realistic estimate of expenditures to ensure accountability and improved outcomes (see principle 1 and 2).

The Problem

In the past, when suppression funds were exhausted, agencies often transferred money appropriated for pre-fire work to pay for suppression. This practice was known as fire borrowing. Fire borrowing created a vicious cycle by diverting resources from prevention and risk reduction, contributing to higher future suppression costs. The FY2018 authorization of the "Fire Funding Fix," which allows for the appropriation of above-cap suppression funding through the Wildfire Suppression Operations Reserve Fund, has largely ended this practice. However, without sustained investment in mitigation to reduce future wildfire risk, the Reserve Fund alone will not solve the long-term growth in suppression costs.

The Fire Funding Fix is set to expire at the end of FY2027. If it is not reauthorized, agencies may once again be forced to resort to fire borrowing.

The Solution

Congress should reauthorize the Wildfire Suppression Operations Reserve Fund before the end of FY 2027 to ensure stable and realistic suppression funding beyond FY 2027 and to avoid fire borrowing. Congress should also require regular, detailed reporting on the use of suppression funds to evaluate the Fire Funding Fix's effect on federal suppression spending.

The Impact

- Ensure stable and realistic suppression funding: We know the frequency and destructiveness of wildfires are growing, but there is still significant variation between years. Ensuring that the US Forest Service and Department of Interior have sufficient funds for wildfire suppression in the event of a bad fire year—and immediate access to those funds—is essential.
- Protect non-fire accounts: Fire borrowing diverts resources meant for prevention and risk mitigation and leads to potentially higher future suppression costs.
- Limit need for emergency supplemental spending: If federal agencies deplete their wildfire suppression funding, Congress may be forced to pass a supplemental appropriations bill to refill the coffers. Because these supplemental packages are time-sensitive, they are susceptible to non-emergency add-ons at a higher risk of waste, fraud, and abuse.
- Improve agency planning: Provides a multi-year framework for suppression funding that allows for better planning and more strategic resource allocation.

Principle 4. The federal government should expand its investments in mitigation in order to better protect communities and slow the growth of ballooning wildfire suppression costs.

The Problem

Risk mitigation activities have consistently been recognized as critical for reducing federal wildfire costs, yet they have not received the necessary investments to safeguard against rising future expenses. Mitigation needs regular, sustained funding—year-to-year support, not just one-time influxes—to enable long-term mitigation strategies with the greatest return for taxpayers and communities.[6]

The Solution

The greatest opportunity to prevent and mitigate the negative consequences of wildfire is before the fire has even started. Congress should provide sustained and robust funding for mitigation work that could provide meaningful risk reduction. Year to year appropriations need to place emphasis on vital non-fire programs. Congress should also leverage the funding it provides to incentivize state and local governments to invest their own resources in risk reduction, multiplying the effectiveness of federal investments.

The Impact

- Reduce the risk of future wildfires: As mitigation work progresses over time (while using the right metrics to evaluate progress, see principle 2), the risk of wildfire should decrease accordingly.
- Reduce suppression and recovery expenses: As wildfire risks are reduced, the proportional need for suppression and post-fire recovery expenses should go down as well. Every $1 invested in federal grants for fire mitigation at the wildland-urban interface provides $3 in benefits.[7]

Endnotes

1 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.

2 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-pograms-on-wildfire.

3 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/les/documents/ wfmmc-nal-report-092023-508.pdf.

4 Taxpayers for Common Sense, "Five Fast Facts About the Wildfire Operations Reserve Fund" (2026), https://www.taxpayer.net/disaster/five-fast-facts-about-the-wildfire-suppression-operations-reserve-fund

5 For more information on these topics, see 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/les/documents/ wfmmc-nal-report-092023-508.pdf and 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.

6 For more information on these topics, see 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/les/documents/ wfmmc-nal-report-092023-508.pdf and 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.

7 National Institute for Building Sciences, "Mitigation Saves: At the WUI, Federal Grants for Mitigation of Fire Provide $3 Benefit for Each $1 Invested" https://nibs.org/wp-content/uploads/2025/04/ms_v3_grants_fire.pdf