

## Taxpayer Tools to Tackle Wildfire: Budget Priorities



*Wildfire burning outside of Austin Texas, 2011 | Photo Credit: U.S. Air Force*

Wildfires have become a growing problem made worse by climate change. Over the past three decades, wildfires have burned increasingly larger tracts of grasslands and forests. Congress recently provided billions of dollars to address the wildfire crisis, but this funding must be used in ways that can achieve real and lasting results.

These taxpayer tools are meant to spotlight budget-related areas for reform. There is no one-size-fits all policy solution, but a more balanced approach that prioritizes resilient landscapes and communities will save taxpayer money and protect people and property.

### **Taxpayer Tool: Transparency & Accountability in Spending Decisions and Programmatic Focus**

Federal spending information – and the decisions leading to that spending – should be accessible and comprehensive, across all federal agencies. Opportunities exist for the federal government to increase cross-department tracking and accounting, such as developing budget crosscuts, and to make that information publicly available in an easily accessible, understandable format.

### **Taxpayer Tool: Recalibrate Mitigation vs. Suppression Funding**

Increasing budgets dedicated to fire suppression and the Wildland Fire Management (WFM) account has decreased the USFS's ability to sustain vital non-fire program areas that could prevent or lessen the impact of future fires. Throughout the past century and various iterations of strategic reviews, fuels reduction and mitigation have repeatedly been recognized as an important tool for federal agencies to reduce the risk and costs of wildfires. Sustaining funding levels for vital non-fire program areas in annual appropriations will be important in the near term to mitigate fire risks and reduce longer term suppression liability.

### **Taxpayer Tool: Fix the Fix – Reevaluate the Wildfire Reserve Fund**

The problem of fire borrowing was addressed by the creation of the Reserve Fund in the FY2018 Omnibus. Several facets of the Reserve Fund, including requiring a “base level” of appropriations frozen at the average cost over 10 years for wildfire suppression operations requested in the President’s FY15 Budget and an overall budgetary structure designed to bypass procedural and budgetary controls on discretionary spending under the Budget Control Act of 2010, need to be reevaluated. Transparency and accountability of the Reserve Fund also needs to be addressed; requiring online reporting of the Reserve Fund on a regular basis (e.g., semi-annually) would be beneficial for the public and policymakers.

### **Taxpayer Tool: Federal Post-Fire Assistance Should be Conditional on Risk Mitigation and Smart Redevelopment in the WUI**

Any federal post-fire assistance should be conditioned on commitments to adopt appropriate and adequate zoning, building codes, and landscape management explicitly designed to reduce and pre-respond to future fire risks. A good example of this emphasis can be seen in the low interest disaster loans provided by the Small Business Administration, which can be increased by up to 20 percent beyond damage costs to help mitigate future property damage. Conversely, poorly designed programs like the National Flood Insurance Program (NFIP) and federally subsidized crop insurance can incentivize risky behavior, which will only add to the ever-growing future disaster assistance needs and liabilities.

### **Taxpayer Tool: Set Productive Metrics for Success**

Currently, there are no clearly established metrics or criteria for IJA and IRA funding outcomes, particularly for evaluating risk reduction and ecosystem restoration success. We need better and more productive metrics, like the number of high-risk communities protected, to accurately gauge progress and direct future funding decisions. The USFS is still using the number of acres treated as a Key Performance Indicator for its hazardous fuel reduction program. A recent investigation by NBC News found USFS counted many of the same acres of land toward its risk reduction goals from two to six times, and even up to dozens of times in a few cases. USFS may have been double- or triple-counting acres treated using different methods, like mechanical thinning, pruning, pile burning, etc., as this work is often done in the same area. This inflation of the risk reduction progress may misdirect congressional funding decisions.

### **Taxpayer Tool: Timber Subsidies May Lead to Perverse Incentives**

Good Neighbor Authority, stewardship contracts, and other subsidies to address the lack of commercial viability of forest and wood products intended to reduce “hazardous fuel” might create perverse incentives that undercut forest health objectives and can increase the risk of fire. Where timber and other forest products harvest can take place is often determined by road access, commercial viability, and other local conditions that may misalign with wildfire spatial patterns or even undermine overall forest health.

*Lateral West Wildfire, 2011 | Photo Credit: U.S. Fish and Wildlife Service*

