

# PREPAREDNESS FOR THE 2009 WILDFIRE SEASON

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## HEARING

BEFORE THE

SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS

OF THE

COMMITTEE ON

ENERGY AND NATURAL RESOURCES

UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

TO

CONSIDER THE PREPAREDNESS OF FEDERAL LAND MANAGEMENT AGENCIES FOR THE 2009 WILDFIRE SEASON AND TO RECEIVE TESTIMONY ON S. 561 AND H.R. 1404, THE FEDERAL LAND ASSISTANCE, MANAGEMENT AND ENHANCEMENT ACT

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JULY 21, 2009

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## **PREPAREDNESS FOR THE 2009 WILDFIRE SEASON**

**TUESDAY, JULY 21, 2009**

U.S. SENATE,  
COMMITTEE ON ENERGY AND NATURAL RESOURCES,  
*Washington, DC.*

The committee met, pursuant to notice, at 10:12 a.m. in room SD-366, Dirksen Senate Office Building, Hon. Ron Wyden presiding.

### **OPENING STATEMENT OF HON. RON WYDEN, U.S. SENATOR FROM OREGON**

Senator WYDEN. The committee will come to order. Today the chairman of our full committee, Chairman Bingaman is unable to be here at this time. So he asked me to open this morning's hearing.

Today the committee looks at the preparedness of the Federal land management agencies for the current wildfire season. The heart of the problem it seems to me is pretty straightforward. We are having more large wildfires.

They are more frequent. They are more extreme. Putting them out means spending more money on what is known as wildfire suppression.

So what has happened is almost every year the Forest Service has to go out and spend more money on wildfire suppression than it has budgeted. Then it goes out and borrows billions of dollars. That's been the case over a number of years from the programs that are set up to prevent the wildfires. These are programs like thinning and hazardous fuels reduction.

Now the reality is that these quick cash schemes never solve the budget problem. They all but guarantee that future wildfires are going to be even more costly and more dangerous. In fact the Forest Service's borrowing results in higher costs, not only to taxpayers, but also to the private businesses and organizations that work with the Forest Service. It has adversely affected virtually everything the Forest Service does and poses a significant threat to the Agency's capacity to carry out its mission.

It is very clear there needs to be a new approach to be able to get ahead of the problem of wildfire and keep the buildup of hazardous fuels in check. At past hearings before this committee the Forest Service Inspector General testified that hazardous fuels are estimated to be accumulating on forest lands three times as fast as they can be treated. With the current approach it is not a question of if, but when the next disaster will strike.

Today the committee is going to consider several important pieces of legislation to deal with this. The committee intends to consider S. 561, H.R. 1404, the FLAME Act. They have been sponsored by our chair, by my friend the ranking member, Senator Murkowski. I'm very pleased to be joining Chairman Bingaman and Senator Murkowski in co-sponsoring this important legislation.

In addition I am also working on legislation to greatly step up the pace of desperately needed work to reduce the buildup of hazardous fuels and the risk of catastrophic fire. I want the Forest Service to have new tools to get out in front of the problem and prevent our forest lands and the taxpayers from getting burned. It is my hope to have that legislation ready for introduction shortly.

Finally from the outset of his administration, the President, President Obama has called for a full and honest accounting of the money we plan to spend. Referring to the past practices of failing to adequately budget for fires is one example. Accordingly his fiscal year 2010 proposes for the first time a separate account to be held in reserve to fund wildfire suppression costs that exceed the standard budget during the next fiscal year. The FLAME Act complements the President's proposal by providing the authorization and administrative direction along with future appropriations that are necessary for a long term solution.

Today the committee will hear from several panels of witnesses.

The first panel will be Jay Jensen, Deputy Undersecretary for Natural Resources in the Department of Agriculture.

The Honorable Rhea Suh, Assistant Secretary for Policy Management and Budget for the Department of the Interior.

Patricia Dalton, Managing Director for Natural Resources and Environment at the Government Accountability Office.

We will be going to your testimony for the three of you momentarily. But first I'd like to turn to the committee's ranking member, Senator Murkowski.

**STATEMENT OF HON. LISA MURKOWSKI, U.S. SENATOR  
FROM ALASKA**

Senator MURKOWSKI. Thank you, Mr. Chairman. I appreciate the opportunity to be with you this morning. As I mentioned Alaska is on fire, we're having actually a really nice summer up North. But with the good, dry weather brings the fires that we so often see.

I understand Alaska is about 1.1 million acres that have been burned. This is out of the 2.8 million acres that have swept across the country. So once again, Alaska is in the news when it comes to our wildfires.

Mr. Chairman, you've indicated some of the issues that arise when we look at the budget within the Forest Service. The fire programs now cost the Forest Service more than 50 percent of its overall budget. The combination of drought, suburban growth and the wild land interface and extremely poor forest health conditions all point to higher fire suppression costs.

The result of these challenges, as you mentioned, is the FLAME Act that we have co-sponsored. The House of Representatives has made some changes to the FLAME Act that I think are unacceptable. The questions that I will pose this morning will help provide some clarity to that. I'm also concerned with the manner in which

the administration proposed funding fire suppression in the FY2010 budget. When the FLAME Act is signed into law it will not bear fruit unless the administration and the Appropriations Committees harmonize their fire budget request to the FLAME Act.

I have looked at the 2009 quadrennial fire review report. It was put together by the fire staffs at the respective land management agencies, State foresters and others. For the past 100 years the Forest Service and BLM focused on land management. Fire fighting was only a small additional program that they carried out to help protect the investments that were made in land management.

Today I think we have seen fire preparedness and suppression become the tail that literally wags the dog. Land management seems to be an afterthought. I sometimes fear that those within the Forest Service want to become the masters of disaster response. I'm not sure that this should be the task of our land management agencies.

I see no reason that the Forest Service or BLM should be dealing with pandemics or other civil defense crisis as a core mission. But this appears to be becoming their role. I think that this can be taken too far.

In some portions of California they've taken on the responsibility of being first responders for traffic accidents. In the report they envision being called on to deal with disease outbreaks and other disasters that have absolutely nothing to do with the lands that they have been entrusted to manage. This has implications to other non-fire resource management. This committee and this Congress needs to stop the mission creep or we'll need to double the size in the budgets for these two agencies.

Finally there is another issue looming that we need to focus on. In 2004 the Forest Service grounded 33 large fire fighting aircraft due to their age and their metal fatigue issues. We went from 44 such aircraft to a fleet of less than 15. The Forest Service shifted to using only former Navy antisubmarine war aircraft flown by contract companies. This past year the Navy was forced to ground 39 of its P-3 Orion aircraft due to metal fatigue issued in the wings.

Since the majority of the Forest Service contract fire bombers are P-3s, we need to become better prepared to deal with this issue. It is approaching and I think we all recognize that it is going to be pretty expensive.

All of the alternative fixes are costly. If we don't put time into thinking about the issue and preparing for the day that the wings literally start falling off. We will find ourselves at the mercy of the Department of Agriculture as they attempt to provide a solution. Hastily thought out emergency responses are always more costly, certainly more disruptive. I think we need to be proactive in anticipating.

Mr. Chairman, I look forward to the comments from the witnesses and working with you on the FLAME Act and other good legislation.

Senator WYDEN. I thank my colleague. You're absolutely right in terms of your diagnosis and the opportunity to move ahead. So I look forward to working closely with you.

Let's go next to Ms. Suh. Welcome, and I appreciate your participation. I know you've been cooperating with the staff. We'll make your prepared remarks a part of the record in their entirety.

For all our witnesses I know that there is almost a physical compulsion to just put one's head down and start reading. But if there is any way we can persuade you to summarize your views, we'll make your prepared remarks a part of history for the ages. Ok?

[Laughter.]

Senator WYDEN. Ms. Suh, welcome.

**STATEMENT OF RHEA SUH, ASSISTANT SECRETARY, POLICY, MANAGEMENT AND BUDGET, DEPARTMENT OF THE INTERIOR**

Ms. SUH. Thank you, Mr. Chairman and thank you, Senator Murkowski. I really appreciate the opportunity to testify today on Federal wildland fire management and options for funding this activity. The Department of Agriculture and the Department of the Interior continue to work closely in wildfire management.

My colleague, Deputy Under Secretary Jensen and I have coordinated our statement to provide a comprehensive presentation of the management challenges we share as well as our ongoing efforts to meet these challenges more effectively. We have submitted our joint, full written statement for the record. In order to be mindful of your time, I've condensed my oral comments to basically provide a brief context for the challenges associated with wildfire management today and a brief update on the 2009 fire season and our State of readiness.

Wildland fire and wildland firefighting are influenced by a complex set of environmental and social factors. As you are aware fires in recent years have become larger and fire seasons have grown longer due to climate change, persistent drought and hazardous fuels accumulations. In addition development within the wildland urban interface has increased the complexity of fighting wildfires. We believe these factors are the primary drivers behind rising costs and are the leading variables driving the rapid increase in fire suppression expenditures.

Both the Department of the Interior and Agriculture recognize this serious responsibility we bear in protecting people, property and natural resources from wildfire. While our initial attack success continues to be very good, roughly 97 percent in the last several years, our highest priority is the safety of our firefighters and our citizens. Reduced exposure to unnecessary risk during fire incidences 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 mitigate risks from damaging fire. We will continue to make fuel treatment and wildland urban interface areas a priority, assist localities in building the response capability in wildfire prone areas, work collaboratively with local communities to understand the role of fire in these landscapes, and help foster individual responsibilities for private property protection.

The 2009 wildfire season has been moderate to date. June was a relatively wet and cool month throughout most of the West. As the season progresses below normal significant fire potential is ex-

pected across portions of the Great Basin, the Southwest and the Southeast.

However there are areas of the country that we need to pay careful attention to: portions of Washington, California and the Appalachian Mountains have been drier than normal and significant fire potential is forecast to increase or persist across these areas.

So far, as of July 15, over 51,000 fires have burned to an excess of 2.5 million acres. Over 85 percent of these incidents to date have been on State or other non-Federal lands with more than two-thirds of the acres burned.

To prepare for the conditions anticipated in the 2009 fire season, the Departments are working together to improve the efficiency and effectiveness of our firefighting resources.

In terms of our firefighting forces in 2009, we have over 18,000 firefighters available, including permanent and seasonal, Federal and State employees, crews from tribal and local governments, contract crews and emergency and temporary hires. This number is comparable to those from last year.

In terms of our aviation, the wildland fire agencies continue to employ a mix of fixed and rotor wing aircraft. Interior, the lead contractor for Single Engine Air Tankers, will maintain a mix of aviation resources to include 21 Single Engine Air Tankers, 44 helicopters and 13 aerial supervision aircraft in 2009, which is again, similar to that of 2008. This resource readiness is comparable to the last several years and we believe an effective approach. We do acknowledge however, that we need to look at our long-term aviation needs and the Departments are doing that now.

Before my colleague, Mr. Jensen completes our joint testimony. I want to express my appreciation to the members of this committee and to the full House for their efforts to address the current problems related to the way fire suppression costs are managed. The administration supports the FLAME Act if amended to provide for a contingency reserve as outlined by the President's budget. We believe that the administration's budget proposal can address the problem.

The administration looks forward to working with Congress on safe, cost effective and accountable results in managing wildfire. This concludes my oral statement. I'm happy to answer any questions you may have later. Thank you.

[The joint prepared statement of Ms. Suh and Mr. Jensen follows:]

JOINT STATEMENT OF RHEA SUH, ASSISTANT SECRETARY, POLICY, MANAGEMENT AND BUDGET, DEPARTMENT OF THE INTERIOR, AND JAY JENSEN, DEPUTY UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT, DEPARTMENT OF AGRICULTURE

#### INTRODUCTION

Mr. Chairman, Ms. Murkowski, and members of the Committee, thank you for the opportunity to testify today on Federal wildland fire management and options for funding this activity. The Department of Agriculture and the Department of the Interior continue to work closely together in wildfire management. We have coordinated our statement to provide a well-rounded presentation of the management challenges we share, as well as our recent efforts to meet these challenges more effectively.

## WILDLAND FIRE MANAGEMENT

The Departments take seriously the protection of people, property and valuable natural resources from wildfire. We are prepared for the 2009 wildland fire season and are staffed to provide safe, effective fire management. We have available fire fighting forces—firefighters, equipment, and aircraft—comparable to 2008 with more than 18,000 firefighters, and we will have equal or greater numbers of aviation, engines and other equipment assets on the ground. Further, the Departments have expanded strategic centralized management and pre-positioned aviation assets in order to constantly improve management effectiveness and increase cost efficiency which will lead to even greater safety and community and resource protection.

We will continue our commitment to successful initial attack of wildland fire. For the last several years, the wildland fire agencies faced 18,000 or more wildfires a year with an average of 97% success on initial attack. This will be carried out, however, with full attention to firefighter safety as the foremost principle. Reduced exposure to unnecessary risk during fire incidents continues to guide fire management decisions and anchors our actions. Additionally, we continue to actively work with communities to expand their capacity to be safe from damaging fire. We continue to make fuels treatment in wildland urban interface areas a priority, assist localities to build their response capability, 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, and help spread the knowledge of tools to foster individual responsibility to property protection.

Wildland fire and wildland fire fighting are influenced by a complex set of environmental and social factors. Though there have been a decreasing number of wildfires on National Forest System lands over the past ten years, fires across jurisdictions in recent years have become larger, consuming more acres, and fire seasons have grown longer due to climate change<sup>1</sup>, persistent drought and hazardous fuels accumulations<sup>2</sup> that reflect in part the results of previous fire management. In addition, the expansion of development 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. We believe these factors, as well as the management framework and decisions during some fire incidents, are the primary drivers behind rising costs and are the leading variables driving annual fire suppression expenditures to have frequently exceeded the ten-year average.

## 2009 WILDLAND FIRE SEASON OUTLOOK

The 2009 wildland fire season has been light to date in which we have seen the longest period at Preparedness Level 1 since 1990. June was a very wet and relatively cool month over much of the West. However, portions of Washington, northern Idaho and Montana were drier than normal and the Northwest and Southeast were persistently hot and dry. Although welcome short-term relief was provided in many locations, drought conditions in areas of the Northwest, California, Nevada, and Texas are expected to persist or worsen.

As the season progresses, below normal significant fire potential is expected across portions of the Great Basin, the Southwest, and Southeast. Conversely, significant fire potential is forecast to increase or persist across portions of Washington, California and the Appalachian Mountains during the leaf drop period in October.

As of July 15, 2009 over 51,000 fires have burned an excess of 2.5 million acres. Over 85 percent of the incidents to date have occurred on state and other non-federal lands and more than two thirds of the acres burned were non-federal lands.

<sup>1</sup>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.

<sup>2</sup>Westerling, A.L., H.G. Hidalgo, D.R. Cayan, T.W. Swetnam. 2006. Warming and Earlier Spring Increase Western U.S. Forest Wildfire Activity. *Science*. 313 (5789): 940–943.

## WILDLAND FIRE PREPAREDNESS

To prepare for conditions anticipated in the 2009 fire season, the Departments are working to improve the efficiency and effectiveness of our fire fighting resources. Fire managers assign local, regional, and national fire fighting personnel and equipment based on anticipated fire starts, actual fire occurrence, fire spread, and severity with the help of information from the National Interagency Fire Center Predictive Services group.

*Firefighting Forces*

For the 2009 fire season, we have available firefighting forces—firefighters, equipment, and aircraft—comparable to those available in 2008. More than 18,000 firefighters are available, including permanent and seasonal Federal and State employees, crews from Tribal and local governments, contract crews, and emergency/temporary hires. This figure includes levels consistent with 2008 of highly-trained firefighting crews, smokejumpers, Type 1 national interagency incident management teams (the most experienced and skilled teams) available for complex fires or incidents, and Type 2 incident management teams available for geographical or national incidents. The Departments frequently work in unified command with State and local departments. They serve a critical role in our initial attack success and we could not be as effective as we have been without them.

The Forest Service hosts four interagency National Incident Management Organization (NIMO) teams staffed for 2009. These are four seven-member full-time Type I Incident Management Teams ready to respond to wildland fire incidents. In addition, the NIMO teams have worked with selected National Forests that are historically at higher risk of large fire prior to the season to work collaboratively to build capacity through strategic pre-season planning and training in risk management protocol for decision making and critical incident operations.

The National Interagency Coordination Center, located at the National Interagency Fire Center in Boise, coordinates fire fighting needs throughout the nation. In the event of multiple, simultaneous fires, resources are prioritized, allocated, and, if necessary, re-allocated by the National Multi-Agency Coordinating group, composed of representatives of major fire organizations headquartered at NIFC. Prioritization ensures firefighting forces are positioned where they are needed most. Fire managers dispatch and track personnel, equipment, aircraft, vehicles, and supplies and are all managed through an integrated national system. If conditions become extreme, assistance from the Department of Defense is available under standing agreements, as well as fire fighting forces from Canada, Mexico, Australia, and New Zealand, using established agreements and protocols.

*Aviation*

The wildland firefighting agencies continue to employ a mix of fixed and rotor wing aircraft. Key components of the Forest Service 2009 aviation assets include up to 20 civilian large air tankers on Federal contracts, along with up to 33 Type 1 heavy helicopters and 36 Type 2 medium helicopters on national exclusive-use contracts; 53 Type 3 helicopters on local or regional exclusive-use contracts, and 8 Modular Airborne Fire Fighting System units that will be available for deployment. Additionally, there are nearly 300 call-when-needed Type 1, 2 and 3 helicopters available for fire management support as conditions and activity dictate. Likewise, Interior, the lead contractor for Single Engine Air Tankers, will maintain a mix of aviation resources to include 21 SEATS, 44 Helicopters, and 13 Aerial Supervision Aircraft in 2009 similar to that used in 2008. This resource readiness is comparable to the past several years and we believe an effective approach. We do acknowledge, however, that we need to look at our long-term aviation needs, and the Departments are doing that now.

## 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. A combination of mechanical treatment and 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 the potential for increasing acres burned over the next five years, more extreme fire behavior, and irregular fire patterns on the landscape. These factors could affect cost. For example, last year, although the wildland fire agencies successfully suppressed 97% of all wildfires on initial attack, forty wildfires grew to become “megafires” (.25 of 1%) representing more than half of the Forest

Service expenditures on wildland fire. The agencies are working together and providing resources to address these problem areas.

This Administration makes the protection of communities, the environment, and firefighter safety a priority. The factors described above increase fire fighting complexity and have contributed to increased expenditures by the agency. The inflation-adjusted ten-year average for wildland fire suppression for two Departments, \$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 and Interior's suppression budget is now 41 percent of the fire program. Because the budget reflects the Administration's priorities within a constrained budget environment, escalating suppression and fuels treatment obligations-like all other resource management program obligations-have been absorbed within the wildland fire agencies' discretionary totals. In recent years lower amounts have been available for other mission critical programs across the agencies. The President's Fiscal year 2010 budget addresses this as discussed below.

We have spent over \$1.5 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 Forest Service 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 have also impacted Interior as well, but to a relatively lesser degree. It should be noted that most, but not all, of these funds have been restored to the agencies through emergency supplemental appropriations. Interior has executed over \$800 million in transfers. Responding to these emergencies with transfers that typically occur in the final months of the fiscal year, 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. This transfer authority is an important tool to ensure that there will not be a lapse in emergency fire fighting activities due to a lack of funding. Responding to these emergencies have affected the wildland fire agencies' ability to deliver their programs of work, and has reduced accomplishments and impaired partnerships, even when the transferred funds were repaid through supplemental appropriations.

The Departments have adopted substantive management reforms to mitigate this cost trend. Along with us, our State and local 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, raise efficiency, and to manage operations within the amounts appropriated to manage wildland fire. We are expanding these efforts for the current fire season and beyond. For example, a number of Wildland Fire Decision Support Systems (such as FSPro, which models fire behavior, and RAVAR, which models values at risk from fire) provide real-time support to fire managers implementing Risk-Informed Management. These efforts are coupled with other program efforts such as strategic and operational protocols, improved oversight, and use of a risk management framework that ensure fire management resources are appropriately focused.

However, we recognize that despite our best efforts, circumstances may occur that lead obligations to exceed these appropriated amounts. We are pleased that the Administration has included a proposal in the Fiscal Year 2010 Budget that provides for a \$357 million Wildland Fire Management Contingency Reserve with the Departments' budgets. This proposal reflects the President's commitment to wildfire management and community protection by establishing a new 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 \$1.9 billion 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 reduces the need for agencies to transfer funds from non-fire programs to pay for fire fighting when agency appropriated suppression funds are exhausted.

We must recognize that funding is only one part of the wildland fire management solution and we must re-double our efforts to manage the span of the wildfire problem by investing in not just suppression, but hazardous fuels reduction, restoration action, and community assistance. The President's Budget also reflects the commitment of this Administration to implement program reforms to allow wildfire to re-

assume its ecological function on the landscape and ensure fire management resources are focused where they will do the most good.

The President's Budget for FY 2010 provides funding at levels that equips the agencies to help restore and manage the Nation's forests and rangelands. It also recognizes problems with how fire suppression has been funded and addresses the fire transfer problem by adding a contingent reserve of \$282 million for the Forest Service and \$75 million for Interior, and provides funding increases commensurate with the increase in the ten-year average suppression costs. The Administration appreciates the strong support of the House in providing requested funding amounts for wildfire suppression operations and the new Wildland Fire Suppression Contingency Reserve of the Forest Service and Department of the Interior, and encourages the Senate to do the same. We are also aware of S.561, the FLAME Act, introduced by this Committee, and H.R. 1404, introduced in the House, that aims to accomplish the separation between routine wildland fire management and large, catastrophic fire events. We appreciate the efforts of the sponsors of the FLAME Act to address the current problems related to the way firefighting costs are funded. The Administration supports the FLAME Act if amended to provide for a contingency reserve, as outlined in the President's budget. We believe that the Administration's budget proposal can address the problem. The Administration looks forward to working with the Congress on safe, cost-effective, and accountable results in managing wildfire. We imagine a day when we have the opportunity to effectively address catastrophic wildfires, restore fire adapted landscapes, and have adequate resources for hazardous fuels, fire science, assistance to others, and preparedness. This will 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 Departments continue to face challenges that 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:

- We will continue to reduce hazardous fuels on priority lands. From 2001 through 2008, together we have treated about 23 million acres on federal lands through hazardous fuels reduction and over 7 million acres through other land restoration activities;
- 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 and rangeland restoration and to reduce the risk of severe fires in the future;
- Continued implementation of the American Recovery and Reinvestment Act which provides \$500 million for the Forest Service and \$15 million for the Interior Department 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. Many projects have begun and most will be completed within 1-3 years;
- We will continue to constantly improve decision-making on wildland fires starting this year. The wildland fire agencies have employed 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 provides situational assessment, analysis of hazards and risk, defining implementation actions, and documentation of 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.

- 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 are developing an Interagency Aviation Strategy that looks to address a current aviation fleet that is aging and costs of maintenance increasing;
- We will continue after action review of fire incidents to apply lessons learned and best practices to policy and operations; and
- Since the advent of the National Fire Plan in 2000, federal, state and non-governmental entities have collaborated operationally and strategically in an attempt to improve fire prevention and suppression, reduce hazardous fuels, restore fire-adapted ecosystems, and promote community assistance. Ongoing planning with performance measures and implementation tasks will guide the agencies to build on previous successes with our partners.

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.

Senator WYDEN. I'm going to go right to Mr. Jensen. But how much land do you think we're talking about being susceptible to fire? You mentioned California. I think Appalachias, Washington? Any sense just of a ballpark how much land is susceptible to fire?

Ms. SUH. The acres—

Senator WYDEN. Yes.

Ms. SUH [continuing]. Within those 3 particular regions?

Senator WYDEN. Yes.

Ms. SUH. I'm not sure.

Senator WYDEN. Can you get back to us?

Ms. SUH. I will.

Senator WYDEN. Because we're clearly talking about millions of acres.

Ms. SUH. Indeed.

Senator WYDEN. Ok. Mr. Jensen.

#### **STATEMENT OF JAY JENSEN, DEPUTY UNDER SECRETARY, NATURAL RESOURCES AND THE ENVIRONMENT, DEPARTMENT OF AGRICULTURE**

Mr. JENSEN. Thank you, Chairman Wyden, Ranking Member Murkowski. Let me express my gratitude for holding this hearing today. This issue has been needing some daylight for quite some time and really welcome this chance to provide some honest dialog on where we're going to be headed.

I've been fortunate enough to experience wildfire from a number of different perspectives. I hope that it will enable me to shed some new light on this issue. Having once been a wild land firefighter and having worked for years on fire management issues in the Western states, I've had a chance to see the issues from the State, private landowner and now the Federal perspective. I've heard from partners and from the field about the effects of increasing fire seasons and the budgeting challenges they create. It is clear we need to fix our wildfire problems.

As Assistant Secretary Suh has shared, this fire season has been light to date. We have been fortunate. Yet we are now entering a critical period of the fire season. Currently we have 18 uncontained large fires across the country and we expect that to grow.

This administration makes a protection of communities, the environment and firefighter safety a priority. The factors of climate change, increased fuel loadings on our forests and the expansion and development in the wild land urban interface increase fire fighting complexity and contribute to the increased expenditures by the agency. The trends are for more and larger fires to expand on landscape.

These factors will drive cost and initial attack will be a key strategy to keep fires small and costs down. Last year it was just 40 wildfires that escaped initial attack and grew to become the mega fires we know. That's just 0.25 of 1 percent of the fires. Important to know this 0.25 represented approximately 60 percent of Forest Service expenditures on wild land fire.

Further the inflation adjusted 10 year average for wild land fire suppression for our two departments has reached 1.5 billion, more than twice the fiscal year 2001 level. We have a few charts that I'll ask my colleagues to put up that show some of these numbers here. But as I continue these increases in turn are felt dramatically in the formulation of the budget. The result is the wild land fire management budget under a constrained or capped budget now makes up over 48 percent of the Forest Service discretionary budget and it has cost over 1.5 billion annually fighting wildfires in five out of the last 7 years which is more than the appropriated amount.

This has forced the agency to transfer dollars as you have both noted from other important programs and from the field to stay within our budget limits. It should be noted that most, but not all of these funds have been restored to the agency through emergency supplemental appropriations. Yet these fire transfers have resulted in considerable work disruption, delay, postponement and even cancelation of critical projects. We need to fix this situation.

This fix must be paired with strong cost containment directives. Each year for the past 3 years the Forest Service has contracted for a study in evaluation of cost controls on wildfires costing over \$10 million. The latest, soon to be released, an independent report found no fiscal malfeasance within the agencies actions.

We must conduct our operations within the dollar amounts appropriated. These cost management efforts are working. Yet we still have a budgeting dilemma. To address this challenge the fiscal year 2010 budget establishes a \$357 million contingent reserve fund dedicated to addressing wildfire suppression funding shortfalls. In addition to fully funding the 10 year wildfire suppression average, this reserve mechanism helps us to move away from the need to transfer dollars from other agency accounts.

This committee has responded with the introduction of the FLAME Act. The FLAME Act accomplishes an important budgetary separation of routine wildfire suppression from large catastrophic fire events. We need to treat budget and our large catastrophic fires separately from normal fires.

The administration supports the FLAME Act if amended to provide for a contingency reserve as outlined in the President's budget. We believe that the administration's approach through a contingent reserve is the best budget mechanism to provide the needed funds. The administration is grateful for the introduction of the FLAME and looks forward to working with you all to iron out the differences.

It is important to note here that often we only focus on one part of the wild land fire management solution, suppression. Rather we believe we must focus our efforts to manage the span of the wild-fire problem by investing in not just suppression, but strategic hazardous fuels reduction, pre-fire restoration, post-fire rehabilitation and community assistance to build capacity. Our fire problem will only be solved when we enable communities and individual citizens to take responsibility for their own protection.

In closing the wild land 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. Reducing fuels will continue to be a priority in the wild land urban interface. Perhaps, we can get to a place 1 day where we could actually be doing what I like to call hazardous fuels recovery where we can actually use those fuels to create green jobs in the forestry and energy sectors.

We'll also continue our commitment to implement their Recovery Act which provided 500 million for the Forest Service to reduce fuels. We're redoubling our efforts around fire fighter safety and public safety on our most fire prone forests. This year we'll be repositioning strike teams on those 0.25 mentioned earlier.

We're developing an interagency aviation strategy. Last, as Federal agencies we recognize we cannot fight fire alone. Without the states and our local fire departments, we cannot safely and effectively manage wildfire. We will foster cooperation and collaboration between Federal, State and local governments.

Senator WYDEN. Let's do this, Mr. Jensen. If you have any final points, we'll take them and we'll put the rest of your statement in the record.

Mr. JENSEN. Already did. Thank you.

Senator WYDEN. Very good.

Ms. Dalton.

**STATEMENT OF PATRICIA DALTON, MANAGING DIRECTOR,  
NATURAL RESOURCES AND ENVIRONMENT, GOVERNMENT  
ACCOUNTABILITY OFFICE**

Ms. DALTON. Thank you, Mr. Chairman, Senator Murkowski. I'm pleased to be here today to discuss wild land fire management by Federal agencies. The Nation's wild land fire problems have worsened dramatically over the past decade threatening communities as well as important natural and cultural resources. In recent years both average acres burned and Federal appropriations for wild land fire management activities have more than doubled with appropriations reaching over \$3 billion.

My testimony today will focus on first, the progress the Forest Service and Interior agencies have made in managing wild land fire.

Second, key actions we've previously recommended and believe are still necessary to improve the agencies' management of wild land fire.

The agencies' efforts have better positioned themselves to respond to fire effectively. Federal agencies have improved their understanding of wild land fires role on the landscape and have taken important steps toward improving their ability to cost effectively protect communities and resources.

Under current policy the agencies have abandoned their attempt to put out every wildfire, seeking instead to make communities and resources less susceptible to being damaged by wild land fire respond to fire so as to protect communities and important resources at risk while considering both cost and the long term effects of response. By emphasizing fire fighting strategies that focus on land management objectives rather than seeking to suppress all fires, the agencies are increasingly using less aggressive firefighting strategies, strategies that cannot only reduce costs, but also be safer for firefighters by reducing their exposure to unnecessary risk.

In recent years the agencies have taken a number of steps and developed tools to better address the wild land fire threat. In allocating fuel reduction funds they are developing a process that considers risk, effectiveness of treatments and other factors. They are nearing completion of landfire, a geospatial data and modeling system that provides critical information to assess fire threats. A new analytical tool known as the wildland fire decision support system helps the line officers and fire managers analyze various factors such as the fire's current location, adjacent fuel conditions, weather forecasts and nearby structures and other valued resources in determining the best strategy and tactics to adopt in fighting a fire.

Despite the important steps that the agencies have taken much work remains. We have previously recommended four key actions that if completed would improve the agencies' management of wild land fire.

Specifically the agencies need to first, develop a comprehensive strategy. Essentially this is an investment strategy that lays out various approaches for reducing fuels and responding to wild land fires, the estimated costs associated with each approach and the tradeoffs involved. Such a cohesive strategy is essential for Congress and the agencies to make informed decisions about effective and affordable long term approaches for addressing the wild land fire problems. Agency officials have told us that they have begun planning on how to develop such a strategy. The FLAME Act would require the agencies to produce within 1 year of enactment, a cohesive strategy consistent with our recommendations.

Second, the agencies need to establish a comprehensive cost containment strategy. The agencies have taken several steps intended to help contain wild land fire costs including establishing overarching goals and objectives. However the strategy needs further development and lacks clarity and specificity needed by land management and fire fighting officials in the field to better manage and contain wildfire land costs.

Third, clearly defined financial responsibilities for fires across jurisdictions. Protecting the Nation's communities is both one of the

key goals of wild land fire management and one of the leading factors contributing to rising fire costs. Without clarifying responsibilities the concerns that the existing framework insulates non-Federal entities from the cost of protecting the wild land urban interface and that the Federal Government therefore would continue to bear more of its share of that cost are unlikely to be addressed.

Then finally mitigating effects of rising fire costs on other agency programs. The sharply rising costs of managing wild land fires have led agencies to transfer funds from other programs to pay for fire suppression. These transfers disrupt or delay activities in these other programs.

Better methods of estimating the suppression funds the agencies request would reduce the likelihood that the agencies will need to transfer funds. Also Congress could consider, as we noted in our 2004 report, establishing a reserve account to fund emergency wild land firefighting. The FLAME Act would provide for such a fund.

Mr. Chairman, this concludes my prepared statement. I'd be pleased to answer any questions.

[The prepared statement of Ms. Dalton follows:]

PREPARED STATEMENT OF PATRICIA DALTON, MANAGING DIRECTOR, NATURAL  
RESOURCES AND ENVIRONMENT, GOVERNMENT ACCOUNTABILITY OFFICE

WILDLAND FIRE MANAGEMENT

FEDERAL AGENCIES HAVE TAKEN IMPORTANT STEPS FORWARD, BUT ADDITIONAL ACTION  
IS NEEDED TO ADDRESS REMAINING CHALLENGES

*Why GAO Did This Study*

The nation's wildland fire problems have worsened dramatically over the past decade, with more than a doubling of both the average annual acreage burned and federal appropriations for wildland fire management. The deteriorating fire situation has led the agencies responsible for managing wildland fires on federal lands—the Forest Service in the Department of Agriculture and the Bureau of Indian Affairs, Bureau of Land Management, Fish and Wildlife Service, and National Park Service in the Department of the Interior—to reassess how they respond to wildland fire and to take steps to improve their fire management programs. This testimony discusses (1) progress the agencies have made in managing wildland fire and (2) key actions GAO believes are still necessary to improve their wildland fire management. This testimony is based on issued GAO reports and reviews of agency documents and interviews with agency officials on actions the agencies have taken in response to previous GAO findings and recommendations.

*What GAO Recommends*

GAO is making no new recommendations at this time. The agencies have generally agreed with GAO's previous recommendations, but have yet to implement several key recommendations GAO believes could substantially assist them in capitalizing on the important progress they have made to date.

*What GAO Found*

The Forest Service and Interior agencies have improved their understanding of wildland fire's ecological role on the landscape and have taken important steps toward enhancing their ability to cost-effectively protect communities and resources by seeking to (1) make communities and resources less susceptible to being damaged by wildland fire and (2) respond to fire so as to protect communities and important resources at risk while also considering both the cost and long-term effects of that response. To help them do so, the agencies have reduced potentially flammable vegetation in an effort to keep wildland fires from spreading into the wildland-urban interface and to help protect important resources by lessening a fire's intensity; sponsored efforts to educate homeowners about steps they can take to protect their homes from wildland fire; and provided grants to help homeowners carry out these steps. The agencies have also made improvements that lay important groundwork for enhancing their response to wildland fire, including adopting new guidance on how managers in the field are to select firefighting strategies, improving the analyt-

ical tools that assist managers in selecting a strategy, and improving how the agencies acquire and use expensive firefighting assets.

Despite the agencies' efforts, much work remains. GAO has previously recommended several key actions that, if completed, would substantially improve the agencies' management of wildland fire. Specifically, the agencies should:

- Develop a cohesive strategy laying out various potential approaches for addressing the growing wildland fire threat, including estimating costs associated with each approach and the trade-offs involved. Such information would help the agencies and Congress make fundamental decisions about an effective and affordable approach to responding to fires.
- Establish a cost-containment strategy that clarifies the importance of containing costs relative to other, often-competing objectives. Without such clarification, GAO believes managers in the field lack a clear understanding of the relative importance that the agencies' leadership places on containing costs and are therefore likely to continue to select fire fighting strategies without duly considering the costs of suppression.
- Clarify financial responsibilities for fires that cross federal, state, and local jurisdictions. Unless the financial responsibilities for multijurisdictional fires are clarified, concerns that the existing framework insulates nonfederal entities from the cost of protecting the wildland-urban interface from fire-and that the federal government would thus continue to bear more than its share of the cost-are unlikely to be addressed.
- Take action to mitigate the effects of rising fire costs on other agency programs. The sharply rising costs of managing wildland fires have led the agencies to transfer funds from other programs to help pay for fire suppression, disrupting or delaying activities in these other programs. Better methods of predicting needed suppression funding could reduce the need to transfer funds from other programs.

Mr. Chairman and Members of the Committee, I am pleased to be here today to discuss wildland fire management by the federal wildland fire agencies-the Forest Service within the Department of Agriculture and four agencies within the Department of the Interior-including key actions that we believe the agencies should take to improve their management of wildland fires and help contain the rising costs of preparing for and responding to fires. The nation's wildland fire problems have worsened dramatically over the past decade, threatening communities as well as important natural and cultural resources. Both the average acreage burned annually and federal appropriations for wildland fire management activities have more than doubled, with appropriations reaching more than \$2.9 billion annually, on average, during fiscal years 2001 through 2007. A number of factors have contributed to these increases. Uncharacteristic accumulations of vegetation that can fuel wildland fires, due in part to past fire suppression policies and land management practices, and severe regional weather and drought have led to higher-intensity fires and longer fire seasons. At the same time, continued development in and near wildlands, an area often called the wildland-urban interface, has placed more homes at risk. A series of damaging wildland fires in the 1990s led the Forest Service and the Interior agencies to reassess their approach to managing fire. It also prompted a sustained effort, known as the National Fire Plan,<sup>1</sup> on the part of federal agencies and Congress to improve fire suppression capabilities, reduce fuels, restore fire-adapted ecosystems, and help communities better withstand wildland fire. Growing recognition of the long-term fiscal challenges facing the nation has also led Congress, the agencies, and others to focus on ensuring that federal wildland fire activities are appropriate and carried out in a cost-effective manner.

My testimony today summarizes our previous findings and recommendations related to wildland fire, and also includes preliminary information from our ongoing work examining the extent to which the agencies have improved their wildland fire programs in response to our previous work.<sup>2</sup> Specifically, I will focus on (1) the

<sup>1</sup>The National Fire Plan is a joint interagency effort to respond to wildland fires. Its core comprises several strategic documents, including (1) a September 2000 report from the Secretaries of Agriculture and the Interior to the President in response to the wildland fires of 2000; (2) congressional direction accompanying substantial new appropriations for fire management for fiscal year 2001; and (3) several strategies and plans to implement all or parts of the plan.

<sup>2</sup>Our previous reports and ongoing work are performance audits being conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evi-

progress the Forest Service and the Interior agencies have made in managing wildland fire and (2) key actions we previously recommended and believe are still necessary to improve the agencies' management of wildland fire. To address these objectives, we reviewed previous GAO reports and agency documents and interviewed agency officials in Washington, D.C.; at the National Interagency Fire Center in Boise, Idaho; and elsewhere. We expect to issue a report later this year that will address these objectives in more detail.

#### *Background*

Wildland fires triggered by lightning are both natural and inevitable and play an important ecological role on the nation's landscapes. These fires shape the composition of forests and grasslands, periodically reduce vegetation densities, and stimulate seedling regeneration and growth in some species. Over the past century, however, various land use and management practices—including fire suppression, grazing, and timber harvesting—have reduced the normal frequency of fires in many forest and rangeland ecosystems and contributed to abnormally dense, continuous accumulations of vegetation. Such accumulations not only can fuel uncharacteristically large or severe wildland fires, but also—with more homes and communities built in or near areas at risk from wildland fires—threaten human lives, health, property, and infrastructure.

The Forest Service and four Interior agencies—the Bureau of Indian Affairs, Bureau of Land Management, Fish and Wildlife Service, and National Park Service—are responsible for wildland fire management. These five agencies manage about 700 million acres of land in the United States, including national forests, national grasslands, Indian reservations, national parks, and national wildlife refuges.

The federal wildland fire management program has three major components: preparedness, suppression, and fuel reduction.<sup>3</sup> To prepare for a wildland fire season, the agencies acquire firefighting assets—including firefighters, engines, aircraft, and other equipment—and station them either at individual federal land management units (such as national forests or national parks) or at centralized dispatch locations. The primary purpose of these assets is to respond to fires before they become large—a response referred to as initial attack—thus forestalling threats to communities and natural and cultural resources. The agencies fund the assets used for initial attack primarily from their wildland fire preparedness accounts.

When a fire starts, current federal policy directs the agencies to consider land management objectives—identified by land and fire management plans developed by each local unit, such as a national forest or a Bureau of Land Management district—and the structures and resources at risk when determining whether or how to suppress it. A wide spectrum of fire response strategies is available to choose from, and the manager at the affected local unit—known as a line officer—is responsible for determining which strategy to use. In the relatively rare instances when fires escape initial attack and grow large, the agencies respond using an interagency system that mobilizes additional firefighting assets from federal, state, and local agencies, as well as private contractors, regardless of which agency or agencies have jurisdiction over the burning lands. Federal agencies typically fund the costs of these activities from their wildland fire suppression accounts.

In addition to preparing for and suppressing fires, the agencies attempt to reduce the potential for severe wildland fires, lessen the damage caused by fires, limit the spread of flammable invasive species, and restore and maintain healthy ecosystems by reducing potentially hazardous vegetation that can fuel fires. The agencies generally remove or modify hazardous vegetation using prescribed fire (that is, fire deliberately set in order to restore or maintain desired vegetation conditions), mechanical thinning, herbicides, certain grazing methods, or combinations of these and other approaches. The agencies fund these activities from their fuel reduction accounts.

Congress, the Office of Management and Budget, federal agency officials, and others have expressed concern about mounting federal wildland fire expenditures. Federal appropriations to the Forest Service and the Interior agencies to prepare for and respond to wildland fires, including appropriations for reducing fuels, have more than doubled, from an average of \$1.2 billion from fiscal years 1996 through 2000 to an average of \$2.9 billion from fiscal years 2001 through 2007 (see table 1). Adjusting for inflation, the average annual appropriations to the agencies for these Page 3 GAO-09-906T periods increased from \$1.5 billion to \$3.1 billion (in

ence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

<sup>3</sup>Other fire program components include prevention; science, research, and development; and assistance to nonfederal entities.

2007 dollars). The Forest Service received about 70 percent and Interior about 30 percent of the appropriated funds.

**Table 1: Forest Service and Interior Wildland Fire Appropriations, Fiscal Years 1996 through 2007**

Fiscal year	Total appropriations (millions of dollars)	
	Nominal	Inflation-adjusted <sup>a</sup>
1996	\$772.4	\$984.2
1997	1,432.1	1,793.3
1998	1,116.7	1,381.7
1999	1,159.3	1,415.9
2000	1,598.9	1,914.2
2001	2,859.9	3,344.7
2002	2,238.8	2,569.0
2003	3,165.1	3,560.2
2004	3,230.6	3,541.6
2005	2,929.8	3,144.0
2006	2,701.4	2,775.4
2007	3,047.0	3,047.0

Source: GAO analysis of Congressional Research Service data.

<sup>a</sup>We adjusted the appropriations amounts for inflation, using the chain-weighted gross domestic product price index with fiscal year 2007 as the base year.

#### AGENCIES' EFFORTS TO IMPLEMENT A NEW APPROACH TO MANAGING WILDLAND FIRE HAVE BETTER POSITIONED THEM TO RESPOND TO FIRE EFFECTIVELY

The Forest Service and the Interior agencies have improved their understanding of wildland fire's role on the landscape and have taken important steps toward improving their ability to cost-effectively protect communities and resources. Although the agencies have long recognized that fire could provide ecological benefits in some ecosystems, such as certain grassland and forest types, a number of damaging fires in the 1990s led them to develop the Federal Wildland Fire Management Policy.<sup>4</sup> The policy formally recognizes not only that wildland fire can be beneficial in some areas, but also that fire is an inevitable part of the landscape and, moreover, that past attempts to suppress all fires have been in part responsible for making recent fires more severe. Under this policy, the agencies abandoned their attempt to put out every wildland fire, seeking instead to (1) make communities and resources less susceptible to being damaged by wildland fire and (2) respond to fires so as to protect communities and important resources at risk but also to consider both the cost and long-term effects of that response. By emphasizing firefighting strategies that focus on land management objectives, rather than seeking to suppress all fires, the agencies are increasingly using less aggressive fire fighting strategies-strategies that can not only reduce costs but also be safer for firefighters by reducing their exposure to unnecessary risks, according to agency fire officials.

To help them better achieve the federal wildland fire management policy's vision, the Forest Service and the Interior agencies in recent years have taken several steps to make communities and resources less susceptible to damage from wildland fire. These steps include reducing hazardous fuels, in an effort to keep wildland fires from spreading into the wildland-urban interface and to help protect important resources by lessening a fire's intensity. As part of this effort, the agencies reported they have reduced fuels on more than 29 million acres from 2001 through 2008. The agencies have also nearly completed their geospatial data and modeling system,

<sup>4</sup>U.S. Department of Agriculture and U.S. Department of the Interior, Federal Wildland Fire Management Policy and Program Review (Washington, D.C., December 1995). This policy was subsequently reaffirmed and updated in 2001. Department of the Interior, Department of Agriculture, Department of Energy, Department of Defense, Department of Commerce, Environmental Protection Agency, Federal Emergency Management Agency, and National Association of State Foresters, Review and Update of the 1995 Federal Wildland Fire Management Policy (Washington, D.C., January 2001).

LANDFIRE, as we recommended in 2003.<sup>5</sup> LANDFIRE is intended to produce consistent and comprehensive maps and data describing vegetation, wildland fuels, and fire regimes across the United States.<sup>6</sup> Such data are critical to helping the agencies (1) identify the extent, severity, and location of wildland fire threats to the nation's communities and resources; (2) predict fire intensity and rate of spread under particular weather conditions; and (3) evaluate the effect that reducing fuels may have on future fire behavior. LANDFIRE data are already complete for the contiguous United States, although some agency officials have questioned the accuracy of the data, and the agencies expect to complete the data for Alaska and Hawaii in 2009.

The agencies have also begun to improve their processes for allocating fuel reduction funds to different areas of the country and for selecting fuel reduction projects, as we recommended in 2007.<sup>7</sup> The agencies have started moving away from "allocation by tradition" toward a more consistent, systematic allocation process. That is, rather than relying on historical funding patterns and professional judgment, the agencies are developing a process that also considers risk, effectiveness of fuel reduction treatments, and other factors. Despite these improvements, further action is needed to ensure that the agencies' efforts to reduce hazardous fuels are directed to areas at highest risk. The agencies, for example, still lack a measure of the effectiveness of fuel reduction treatments and therefore lack information needed to ensure that fuel reduction funds are directed to the areas where they can best minimize risk to communities and resources. Forest Service and Interior officials told us that they recognize this shortcoming and that efforts are under way to address it; these efforts are likely to be long term involving considerable research investment, but they have the potential to improve the agencies' ability to assess and compare the cost-effectiveness of potential treatments in deciding how to optimally allocate scarce funds.

The agencies have also taken steps to foster fire-resistant communities. Increasing the use of protective measures to mitigate the risk to structures from wildland fire is a key goal of the National Fire Plan. The plan encourages, but does not mandate, state or local governments to adopt laws requiring homeowners and homebuilders to take measures—such as reducing vegetation and flammable objects within an area of 30 to 100 feet around a structure, often called creating defensible space, and using fire-resistant roofing materials and covering attic vents with mesh screens—to help protect structures from wildland fires. Because these measures rely on the actions of individual homeowners or homebuilders, or on laws and land-use planning affecting private lands, achieving this goal is primarily a state and local government responsibility. Nonetheless, the Forest Service and the Interior agencies have helped sponsor the Firewise Communities program, which works with community leaders and homeowners to increase the use of fire-resistant landscaping and building materials in areas of high risk.<sup>8</sup> Federal and state agencies also provide grants to help pay for creating defensible space around private homes.

In addition, the agencies have made improvements laying important groundwork for enhancing their response to wildland fire, including:

- Implementing the Federal Wildland Fire Management Policy.—The Federal Wildland Fire Management Policy directs each agency to develop a fire management plan for all areas they manage with burnable vegetation. Without such plans, agency policy does not allow the use of the entire range of wildland fire response strategies, including less aggressive strategies, and therefore the agencies must attempt to suppress a fire regardless of any benefits that might come from allowing it to burn. We reported in 2006 that about 95 percent of the agencies' 1,460 individual land management units had completed the required plans. The policy also states that the agencies' responses to a wildland fire are to be

<sup>5</sup> GAO, Wildland Fire Management: Additional Actions Required to Better Prioritize Lands Needing Fuels Reduction, GAO-03-805 (Washington, D.C.: Aug. 15, 2003).

<sup>6</sup> A fire regime generally classifies the role that wildland fire plays in a particular ecosystem on the basis of certain characteristics, such as the average number of years between fires and the typical severity of fire under historic conditions.

<sup>7</sup> GAO, Wildland Fire Management: Better Information and a Systematic Process Could Improve Agencies' Approach to Allocating Fuel Reduction Funds and Selecting Projects, GAO-07-1168 (Washington, D.C.: Sept. 28, 2007).

<sup>8</sup> The Firewise Communities program is the primary national effort to educate homeowners about wildland fire risks. The program is jointly sponsored by the International Association of Fire Chiefs, National Emergency Management Association, National Association of State Fire Marshals, National Association of State Foresters, National Fire Protection Association, Federal Emergency Management Agency, U.S. Fire Administration, Forest Service, Bureau of Indian Affairs, Bureau of Land Management, Fish and Wildlife Service, and the National Park Service. Numerous state and local fire and forestry officials also participate in the program. See <http://www.firewise.org/> for more information.

based on the circumstances of a given fire and the likely consequences to human safety and natural and cultural resources. Interagency guidance on implementing the policy, adopted in 2009, clarifies that the full range of fire management strategies and tactics are to be considered when responding to every wildland fire, and that a single fire may be simultaneously managed for different objectives. Both we and the Department of Agriculture's Inspector General had criticized the previous guidance,<sup>9</sup> which required each fire to be managed either for suppression objectives—that is, to put out the fire as quickly as possible—or to achieve resource benefits—that is, to allow the fire to burn to gain certain benefits such as reducing fuels or seed regeneration. By providing this flexibility, the new guidance should help the agencies better achieve management objectives and help contain the long-term costs of fire management.

- Improving fire management decisions.—The agencies have recently undertaken several efforts to improve decisions about fire fighting strategies. In one such effort, the agencies in 2009 began to use a new analytical tool, known as the wildland fire decision support system. This new tool helps line officers and fire managers analyze various factors—such as the fire's current location, adjacent fuel conditions, nearby structures and other highly valued resources, and weather forecasts—in determining the strategies and tactics to adopt. For example, the tool generates a map illustrating the probability that a particular wildland fire, barring any suppression actions, will burn a certain area within a specified time, and the structures or other resources that may therefore be threatened. Having such information can help line officers and fire managers understand the resources at risk and identify the most appropriate response—for example, whether to devote substantial resources in attempting full and immediate suppression or to instead take a less intensive approach, which may reduce risks to firefighters and cost less. Other efforts include (1) establishing experience and training requirements for line officers to be certified to manage fires of different levels of complexity, and (2) forming four teams staffed with some of the most experienced fire managers to assist in managing wildland fires. The Forest Service has also experimented in recent years with several approaches for identifying ongoing fires where suppression actions are unlikely to be effective and for influencing strategic decisions made during those fires, in order to help contain costs and reduce risk to firefighters. Although these efforts are new, and we have not fully evaluated them, we believe they have the potential to help the agencies strengthen how they select fire fighting strategies. By themselves, however, these efforts do not address certain critical shortcomings. We reported in 2007, for example, that officials in the field have few incentives to consider cost containment in making critical decisions affecting suppression costs, and that previous studies had found that the lack of a clear measure to evaluate the benefits and costs of alternative fire fighting strategies fundamentally hindered the agencies' ability to provide effective oversight.<sup>10</sup>
- Acquiring and using fire fighting assets effectively.—The agencies have continued to make improvements—including better systems for contracting with private vendors to provide fire fighting assets and for dispatching assets to individual fires—in how they determine the fire fighting assets they need and in how they acquire and use those assets, although further action is needed. For example, although the agencies in 2009 began deploying an interagency budget-planning system known as fire program analysis (FPA) to address congressional direction that they improve how they determine needed fire fighting assets, our 2008 report on FPA's development identified several shortcomings that limit FPA's ability to meet certain key objectives.<sup>11</sup> FPA was intended to help the agencies develop their wildland fire budget requests and allocate funds by, among other objectives, (1) providing a common budget framework to analyze firefighting assets without regard for agency jurisdictions; (2) examining the full scope of fire management activities; (3) modeling the effects over time of differing strategies for responding to wildland fires and treating lands to reduce hazardous fuels; and (4) using this information to identify the most cost-effective mix and location of federal wildland fire management assets. We reported in 2008 that FPA shows promise in achieving some of the key objectives originally established for it but that the approach the agencies have taken hampers

<sup>9</sup> GAO, *Wildland Fire Management: Lack of Clear Goals or a Strategy Hinders Federal Agencies' Efforts to Contain the Costs of Fighting Fires*, GAO-07-655 (Washington, D.C.: June 1, 2007).

<sup>10</sup> GAO-07-655.

<sup>11</sup> GAO *Wildland Fire Management: Interagency Budget Tool Needs Further Development to Fully Meet Key Objectives*, GAO-09-68 (Washington, D.C.: Nov. 24, 2008).

FPA from meeting other key objectives, including the ability to project the effects of different levels of fuel reduction and fire fighting strategies over time. We therefore concluded that agency officials lack information that would help them analyze the extent to which increasing or decreasing funding for fuel reduction and responding more or less aggressively to fires in the short term could affect the expected cost of responding to wildland fires over the long term. Senior agency officials told us in 2008 that they were considering making changes to FPA that may improve its ability to examine the effects over time of different funding strategies. The exact nature of these changes, or how to fund them, has yet to be determined. Officials also told us the agencies are currently working to evaluate the model's performance, identify and implement needed corrections, and improve data quality and consistency. The agencies intend to consider the early results of FPA in developing their budget requests for fiscal year 2011, although officials told us they will not rely substantially on FPA's results until needed improvements are made. As we noted in 2008, the approach the agencies took in developing FPA provides considerable discretion to agency decision makers and, although providing the flexibility to consider various options is important, doing so makes it essential that the agencies ensure their processes are fully transparent.

In addition, previous studies have found that agencies sometimes use more, or more-costly, fire fighting assets than necessary, often in response to political or social pressure to demonstrate they are taking all possible action to protect communities and resources. Consistent with these findings, fire officials told us they were pressured in 2008 to assign more fire fighting assets than could be effectively used to fight fires in California. More generally, previous studies have found that air tankers may be used to drop flame retardants when on-the-ground conditions may not warrant such drops. Aviation activities are expensive, accounting for about one-third of all fire fighting costs on a large fire. We believe that providing clarity about when different types of fire fighting assets can be used effectively could help the agencies resist political and social pressure to use more assets than they need.

AGENCIES HAVE YET TO TAKE CERTAIN KEY ACTIONS THAT WOULD SUBSTANTIALLY  
IMPROVE THEIR MANAGEMENT OF WILDLAND FIRE

Despite the important steps the agencies have taken, much work remains. We have previously recommended several key actions that, if completed, would improve the agencies' management of wildland fire. Specifically, the agencies need to:

- Develop a cohesive strategy.—Completing an investment strategy that lays out various approaches for reducing fuels and responding to wildland fires and the estimated costs associated with each approach and the trade-offs involved—what we have termed a cohesive strategy—is essential for Congress and the agencies to make informed decisions about effective and affordable long-term approaches for addressing the nation's wildland fire problems. The agencies have concurred with our recommendations to develop a cohesive strategy but have yet to develop a strategy that clearly formulates different approaches and associated costs,<sup>12</sup> despite our 12Although the agencies issued a document titled Protecting People and Natural Resources: A Cohesive Fuels Treatment Strategy in 2006, this document did not identify long-term options or associated funding for reducing fuels and responding to wildland fires, elements we believe are critical to a cohesive strategy. Page 10 GAO-09-906T repeated calls to do so.<sup>13</sup> In May 2009, agency officials told us they had begun planning how to develop a cohesive strategy but were not far enough along in developing it to provide further information.

<sup>12</sup> Although they have yet to complete a cohesive strategy, the agencies have nearly completed two projects—LANDFIRE and FPA—they have identified as being necessary to development of a cohesive strategy. However, the shortcomings we identified in FPA may limit its ability to contribute to the agencies' development of a cohesive strategy.

<sup>13</sup> GAO, Wildland Fire Management: Federal Agencies Lack Key Long- and Short-Term Management Strategies for Using Program Funds Effectively, GAO-08-433T (Washington, D.C.: Feb. 12, 2008); Wildland Fire Management: Update on Federal Agency Efforts to Develop a Cohesive Strategy to Address Wildland Fire Threats, GAO-06-671R (Washington, D.C.: May 1, 2006); Wildland Fire Management: Important Progress Has Been Made, but Challenges Remain to Completing a Cohesive Strategy, GAO-05-147 (Washington, D.C.: Jan. 14, 2005); Western National Forests: A Cohesive Strategy Is Needed to Address Catastrophic Wildfire Threats, GAO/RCE-99-65 (Washington, D.C.: Apr. 2, 1999).

Because of the critical importance of a cohesive strategy to improve the agencies' overall management of wildland fire, we encourage the agencies to complete one and begin implementing it as quickly as possible. The Federal Land Assistance, Management, and Enhancement Act, introduced in March 2009 and sponsored by the chairman of this committee, would require the agencies to produce, within 1 year of the act's enactment, a cohesive strategy consistent with our previous recommendations.<sup>14</sup> Although they have yet to complete a cohesive strategy, the agencies have nearly completed two projects—LANDFIRE and FPA—they have identified as being necessary to development of a cohesive strategy. However, the shortcomings we identified in FPA may limit its ability to contribute to the agencies' development of a cohesive strategy.

- Establish a cost-containment strategy.—We reported in 2007 that although the Forest Service and the Interior agencies had taken several steps intended to help contain wildland fire costs, they had not clearly defined their cost-containment goals or developed a strategy for achieving those goals—steps that are fundamental to sound program management.<sup>15</sup> The agencies disagreed, citing several agency documents that they argued clearly define their goals and objectives and make up their strategy to contain costs.<sup>16</sup> Although these documents do provide overarching goals and objectives, they lack the clarity and specificity needed by land management and fire fighting officials in the field to help manage and contain wildland fire costs. Interagency policy, for example, established an overarching goal of suppressing wildland fires at minimum cost, considering firefighter and public safety and importance of resources being protected, but the agencies have established neither clear criteria for weighing the relative importance of the often-competing elements of this broad goal, nor measurable objectives for determining if the agencies are meeting the goal. As a result, despite the improvements the agencies are making to policy, decision support tools, and oversight, we believe that managers in the field lack a clear understanding of the relative importance that the agencies' leadership places on containing costs and—as we concluded in our 2007 report—are therefore likely to continue to select fire fighting strategies without duly considering the costs of suppression. Forest Service officials told us in July 2009 that although they are concerned about fire management costs, they are emphasizing the need to select firefighting strategies that will achieve land management objectives and reduce unnecessary risks to firefighters, an emphasis they believe may, in the long run, also help them contain costs. Nonetheless, we continue to believe that our recommendations, if effectively implemented, would help the agencies better manage their cost-containment efforts and improve their ability to contain wildland fire costs.
- Clearly define financial responsibilities for fires that cross jurisdictions.—Protecting the nation's communities is both one of the key goals of wildland fire management and one of the leading factors contributing to rising fire costs. A number of relatively simple steps—such as using fire-resistant landscaping and building materials—can dramatically reduce the likelihood of damage to a structure from wildland fire. Although nonfederal entities—including state forestry entities and tribal, county, city, and rural fire departments—play an important role in protecting communities and resources and responding to fires, we reported in 2006 that federal officials were concerned that the existing framework for sharing suppression costs among federal and nonfederal entities insulated state and local governments from the cost of providing wildland fire protection in the wildland-urban interface.<sup>17</sup> As a result, there was less incentive for state and local governments to adopt laws—such as building codes requiring fire-resistant building materials in areas at high risk of wildland fires—that, in the long run, could help reduce the cost of suppressing wildland fires. We therefore recommended that the federal agencies work with relevant state entities to clarify the financial responsibility for fires that burn, or threaten to burn, across multiple jurisdictions and develop more specific guidance as to when particular cost-sharing methods should be used. The agencies have updated guidance on when

<sup>14</sup> S. 561, 111th Cong. (1st sess., 2009) H.R. 1404, 111th Cong. (1st sess., 2009).

<sup>15</sup> GAO-07-655.

<sup>16</sup> Department of the Interior, Department of Agriculture, Department of Energy, Department of Defense, Department of Commerce, Environmental Protection Agency, Federal Emergency Management Agency, and National Association of State Foresters, Review and Update of the 1995 Federal Wildland Fire Management Policy (Washington, D.C.: January 2001). Department of Agriculture, Department of the Interior, and Western Governors' Association, A Collaborative Approach for Reducing Wildland Fire Risks to Communities and the Environment, 10-Year Strategy Implementation Plan (Washington, D.C.: December 2006).

<sup>17</sup> GAO, Wildland Fire Suppression: Lack of Clear Guidance Raises Concerns about Cost Sharing between Federal and Nonfederal Entities, GAO-06-570 (Washington, D.C.: May 30, 2006).

particular cost-sharing methods should be used, although we have not evaluated the effect of the updated guidance; the agencies, however, have yet to clarify the financial responsibility for fires that threaten multiple jurisdictions. Without such clarification, the concerns that the existing framework insulates non-federal entities from the cost of protecting the wildland-urban interface from fire—and that the federal government, therefore, would continue to bear more than its share of that cost—are unlikely to be addressed.

- Mitigate effects of rising fire costs on other agency programs.—The sharply rising costs of managing wildland fires have led the Forest Service and the Interior agencies to transfer funds from other programs to help pay for fire suppression, disrupting or delaying activities in these other programs. Better methods of estimating the suppression funds the agencies request, as we recommended in 2004,<sup>18</sup> could reduce the likelihood that the agencies would need to transfer funds from other accounts, yet the agencies continue to use an estimation method with known problems. A Forest Service official told us the agency had analyzed alternative methods for estimating needed suppression funds but determined that no better method was available. Because the agencies have had to transfer funds in each of the last 3 years, however, a more accurate method for estimating suppression costs may still be needed. To further reduce the likelihood of transferring funds from the agencies' other programs to cover suppression costs, our 2004 report also noted, Congress could consider establishing a reserve account to fund emergency wildland fire fighting. Congress, for example, could provide either a specified amount (known as a definite appropriation) or as much funding as the agencies need to fund emergency suppression (known as an indefinite appropriation). Establishing a reserve account with a definite appropriation would provide the agencies with incentives to contain suppression costs within the amount in the reserve account, but depending on the size of the appropriation and the severity of a fire season, suppression costs could still exceed the funds reserved, and the agencies might still need to transfer funds from other programs. An account with an indefinite appropriation, in contrast, would eliminate the need for transferring funds from other programs but would offer no inherent incentives for the agencies to contain suppression costs. Furthermore, both definite and indefinite appropriations could raise the overall federal budget deficit, depending on whether funding levels for other agency or government programs are reduced. The Federal Land Assistance, Management, and Enhancement Act proposes establishing a wildland fire suppression reserve account; the administration's budget overview for fiscal year 2010 also proposes a \$282 million reserve account for the Forest Service and a \$75 million reserve account for the Interior to provide funding for fire fighting when the appropriated suppression funds are exhausted.

We are making no new recommendations at this time. Rather, we believe that our previous recommendations—which the agencies have generally agreed with—could, if implemented, substantially assist the agencies in capitalizing on the important progress they have made to date in responding to the nation's growing wildland fire problem. We discussed the factual information in this statement with agency officials and incorporated their comments where appropriate.

Mr. Chairman, this concludes my prepared statement. I would be pleased to answer any questions that you or other Members of the Subcommittee may have at this time.

Senator WYDEN. Ms. Dalton, thank you and thank you for being so brief as well. I'm going to have a couple questions now. Then I'm going to turn it over to the Ranking Member, Senator Murkowski and Senator Udall will chair. My apologies to the witnesses, this is also, health care week, and so there is a lot on the docket.

First question for you, Mr. Jensen, if I might. The evidence indicates that something like 2 percent of the fires result in 85 percent of the suppression costs. Can you just outline for the committee what these fires are like, the 2 percent? Particularly why they are so expensive for the agency?

Mr. JENSEN. Absolutely. Thank you for that question.

<sup>18</sup>GAO, Wildfire Suppression: Funding Transfers Cause Project Cancellations and Delays, Strained Relationships, and Management Disruptions, GAO-04-612 (Washington, D.C.: June 2, 2004).

Those fires are essentially the large fires we see out there in the landscape. They tend to be very intense. They are generally referred to and known as these catastrophic wildfires that we're seeing.

They get that large because these are the ones that are escaping initial attack. It is key that we maintain the initial attack capability to keep these fires small. That's a key cost containment strategy for the agencies going forward from here.

Senator WYDEN. So Ms. Dalton, we have gone round and round over the years on this question of what the agencies are doing to reduce fuels. This incredibly powerful force on the forest floor that I think is largely responsible for these virtual infernos that we're seeing around the country. We have gone round and round with the agencies over the last few years.

This committee has had a lot of witnesses, including the General Accounting Office, timber companies, environmentalists, the Forest Service, land managers. It all suggests from the experts that the number of acres that are being treated to actually reduce this problem of tremendous fuels buildup is unreliable. It's misleading. It's counterproductive.

In effect what we are told is that the current system creates this kind of bizarre incentive for the land managers to go out and treat the easiest and cheapest, you know, acres instead of focusing on treating the most important, you know, acres in the most cost effective way. There have been blue ribbon committees on this. This seems to have generated, you know, more paper than practically any issue imaginable.

Now your testimony indicates that you all are making new efforts to address this. Now we have heard this as well before. What I'd like to have you set out on the record is what are you going to do differently on this question of acres being treated and why do you think that approach will allow some real progress to be made?

Ms. DALTON. Senator, what we've recommended is that the agencies develop a comprehensive strategy that would look more at the long term—what are the long term threats of fire and as decisions are being made about fuel reduction, not to look at the number, trying to get the maximum number of acres treated. But identify those acres that pose the greatest threat of fire, not just now, but in the longer term.

That's why we feel it's critical that the agencies take that longer term—develop that longer term cohesive strategy that will look at what's going to be the cost to manage wild land fires, not just today, but next year and the following year.

Senator WYDEN. I've heard that referred to often in the past. Again, specifically what's going to be done differently? What is going to, are you going to identify acres that need it most differently? What can you tell us about the differences in the approach that you're going to take?

We couldn't make a lot of headway in the last administration. So I'm really going to push hard to try to find out specifically what's going to be done now. So you've said you're going to look at the long term. Can you amplify with at least some specifics as to what that's going to consist of?

Ms. DALTON. Senator, what we've done is made the recommendations to the Forest Service and the Department of the Interior. They have indicated that they are in fact, developing such a cohesive strategy, but it's in the very early stages. We haven't seen that strategy yet.

Senator WYDEN. I'm sorry. I needed to ask you and Jay. I wanted to know from you what you were advocating specifically in terms of long term changes. Then I need to know what Mr. Jensen is going to do.

So again, if you will tell us what you're advocating specifically in terms of long term changes. Then Mr. Jensen, if you could tell me what you specifically are going to change.

Ms. DALTON. Yes, what we would be advocating is, as I said, a cohesive strategy that looks at all of the options that are available to the fire fighting agencies.

What the costs are and what are the tradeoffs?

Trying to weigh those and have those as a total picture of what the fire problem is.

What are the resources that we have available?

What's the best use of those resources?

How do you effectively respond to the threats, both today and tomorrow in the most cost effective way?

That when we talk fuel reduction it means you may not want to clear the easiest acres, but those that present the greatest fire threat. They may be those acres that are closest to, for example, an urban wild land interface where you've got communities that could potentially be threatened by a wildfire. Or, it's a difficult task to clear that forest because of dense growth, as opposed to something that would use a more less expensive approach, where there isn't as great a threat on these lands.

Senator WYDEN. The more specifics you can give us, the better. Now let's go to you, Mr. Jensen, for your crack at the specifics of what might be done differently on the acres treated question now.

Mr. JENSEN. I'm glad you're asking that. We've been battling this one around for quite some time. The Agency over the past year has instituted a new hazardous fuels prioritization allocation mechanism which basically takes into account wildfire potential, the values at risk, past performance of the units conducting those activities and any ongoing restoration efforts in the area.

It's an interesting notion that we need to be, and one that I would agree with that we need to be focusing on quality acres, not just quantity acres here. One good way to do that is to focus in on those community wildfire protection plans where communities have made statements of where those values are most at risk and where they'd like to see those treatments.

Senator WYDEN. But that's what the agency has done over the last few years. That's what we continue to get testimony isn't getting the job done. What I'm trying to figure out is what's going to change?

Mr. JENSEN. We'd like to think this administration is going to be looking at it in a different light.

Senator WYDEN. What would that light be?

Mr. JENSEN. I think taking this more seriously in terms of looking at wildfire potential, those values at risk and turning to those

community wildfire protection plans for helping make those decisions and priorities.

Senator WYDEN. I'm going to hold the record open to see if you all amplify on that answer. Because what my understanding—your first response to my question is that the agency has been looking at these various approaches for the last, you know, few years. Then you said we intend to take them more seriously.

I'm looking for some specifics because what we have heard in the past is largely just a recycling of the various approaches that we then hear from the industry, from environmental folks and others are unreliable. So the more specifics we can get. When could you get us, for the record, more specifics about what the administration is going to do differently?

Could we have that within 30 days?

Mr. JENSEN. Absolutely.

Senator WYDEN. Ok. Then for you, Ms. Dalton, if you have at the GAO some additional suggestions for how we can go about this task to get some more specifics that would be very helpful as well.

You can probably see the reason I'm drilling in on this questions is we have just gone round and round on this for more hearings and more hours than I can begin to imagine. Then we have the industry, environmental people, scientists and others still say that we have this perverse incentive out there.

So we've got to get it right. That's why we need more specific suggestions from folks at GAO. Why Mr. Jensen, I want to know what the administration is going to do differently.

Senator Murkowski, your questions and Senator Udall we'll hear shortly of the Chair.

Senator MURKOWSKI. Thank you, Senator Wyden. The chairman has mentioned this ratio if you will of the percent of the fires that consume the vast amount of the suppression funding. I think he said that 2 percent of the fires consume 85 percent of the suppression funding. My notes say 3 percent of the fires consume 85 percent of the suppression funding.

But whether it's 2 percent or whether it's 3 percent, I think we understand what we're dealing with. In looking at the President's proposed budget for FY10. That doesn't line up with how we are—with the reality that you've got between two and 3 percent of the fires that consume 85 percent of the suppression funding.

There's over a billion dollars that is proposed for the fire preparedness and the suppression accounts. Yet a relatively small amount than what is proposed for the reserve account. Ms. Suh and Mr. Jensen, you have both indicated the administration's support of the FLAME Act based on this contingency reserve here.

But let me ask you Ms. Suh, if 85 percent of the suppression funding is consumed responding to 3 percent of the fires how do we reconcile what I perceive to be a mismatch between what the administration has recommended for fire suppression funding and the reality of where we know those dollars are spent? How do we resolve this?

Ms. SUH. That's an excellent question. I would say first off with respect to budgeting fires, I think the trick historically has always been that even though we have these catastrophic fires that account again for 85 percent of the total costs, predicting where those

fires will happen and when those fires will happen is kind of a guessing game every year. That's why we collectively use these 10 year averages to determine how much should be, essentially, budgeted for these potential contingencies.

I think with the President's budget in 2010 we believe that it is an excellent first start at establishing a baseline where we could potentially be looking at our segregation of funds differently. Now the FLAME Act proposes a slightly different approach in that with a slightly different baseline. I think ultimately the opportunity here is for us to collectively work together to determine what appropriate baselines make the most sense.

But again, the intent I think of both the FLAME Act and the contingency fund are really to take the emergency funds, these kinds of catastrophic emergency funds that eat up a lot of our regular budgets aside and start thinking of them differently. But in terms of figuring out what the total amount that should go in those funds should be, that's an ongoing conversation, very much look forward to having with you all.

Senator MURKOWSKI. I understand the fact that we don't really know. It is difficult to guess. That's why it makes sense to have this reserve fund that we build upon.

Some years we're going to get lucky and we're not going to have the level of fires that we might see. We're not going to have the high catastrophes. But you can't count on that. That's why this reserve fund is important.

Mr. Jensen, I wanted to ask you about the chart that you have, which displays the last 10 years in fire suppression. What is the line that is going up? I can anticipate what the bars are, but what is the line?

Mr. JENSEN. That's the 10-year average for which the suppression line is proposed every year in the budget.

Senator MURKOWSKI. Ok, so it is based off that line that you get the administration's budget. Then, for instance, these past 3 years, you've had the huge spikes that if we were to have had a reserve fund in place we would be able to pull from that pool as opposed to cannibalizing from other parts of the budget?

Mr. JENSEN. That's correct. If I might add just a tad. Trying to figure out what the right number is is really this mix of art and science. Because we never quite know what the fire season is going to be like.

So we continue to improve our decision support tools to get a better handle on it. Things like the fire program analysis and budgeting measures that we have are giving us a better handle and allowing us to get closer to it. But the 10-year average is one that we've worked from in the past.

Senator MURKOWSKI. In looking at that visual there in at least, 6, or 7 of the past 10 years, we have not guessed right. Given what we're seeing with the wildfires in this country and the push with the urban interface and the reality that we've got some issues that are driving up the cost. Don't we just see us missing, missing, quite dramatically on this rolling average?

Mr. JENSEN. I think your point is well taken. We can do better in this. That's what I think this dialog here today is starting to get down. Talking about the contingent reserve account in the Presi-

dent's budget and what the FLAME has to offer and how they complement each other in trying to figure out the best path forward is how we're going to get through this.

Senator MURKOWSKI. Thank you, Mr. Chairman.

Senator UDALL [presiding]. Thank you, Senator Murkowski. Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman and thank you to all of our panelists for being here today. I'm from New Hampshire, one of the states that suffers less from large forest fires, but is affected by the budget constraints that happened when we have large fires in the West that we haven't budgeted for. I wonder if any of you could talk to some of the challenges that the current system presents for states like New Hampshire where we have a lot of forests that don't have fires, but are very much affected by what's happening because of our current budget situation?

I don't know who wants to respond to that.

Mr. JENSEN. I'll be happy to jump in. Huge impacts. The ability of the agency to deliver upon the rest of its programs is severely impacted. When we get to those points in the fire season which typically tends to be anywhere from now through the end of the year, the rest of the Agency's program of work has to be turned toward and looked to to try and fill those holes.

When it comes to states in the Northeast, other programs like forest health, maybe urban forest tree, forest legacy programs, often if they still have money in their accounts, we're forced to turn to those other programs to try to make up for the shortfalls on the fire side.

Senator SHAHEEN. Thank you. I think it's important to point out. Most people think of our big forests all being out West, but actually the three most heavily forested states in the country are in the East.

They're Maine, No. 1. New Hampshire, No. 2 and West Virginia, No. 3. So we are very much affected even though we may not be affected by the wildfires.

One of the things that I've been reading about the cause of so many of these dramatic fires that we've seen in recent years is that climate change has had an impact on what's going on in rainfall and particularly in some of the states in the West. One of the concerns that has been expressed about legislation that we might be considering this year is the cost of addressing climate change in legislation. But as we're talking about the tremendous costs for fighting fires it seems to me that there are tradeoffs as we're talking about what the costs are.

So as you all have looked at what's happening with wildfires. To what extent do you attribute the causes to what is happening with climate change?

Ms. SUH. It certainly depends on the area, Senator. Although it's clear that the impact of climate change in many parts of the country, particularly in the interior west are profound. Just one example from Senator Udall's State: the beetle kill in the pine die off is significant. The fuel source that now is representative of all those dead and dying trees is a significant concern for the catastrophic wildfires we've just been talking about. That can be directly attributed to the fact that those beetles live longer because

the winters are less cold. So there's this explosion in the insect population. So how we begin to address those things, I think both by a much more robust strategy with respect to prioritizing hazardous fuels reduction as well as through an adaptation approach where the land management agencies are taking a much more aggressive, I think, and much more comprehensive view of what adaptation means and the fact that adaptation in many ways means the restoration, the long term restoration of many of these changing ecological systems.

So it's an excellent point. I think, again, the agencies, at least within the Department of the Interior are looking at it as a kind of multipronged type of potential solution.

Senator SHAHEEN. Does anyone want to add to that? Anyone else on the panel?

Mr. JENSEN. Wholeheartedly agree.

Senator SHAHEEN. Thank you. As a former Governor normally I don't like dedicated funds. But this is a case where I think it makes sense to have a fund that we can use because obviously this problem is not going to go away. We've got to do a better job of addressing it.

So thank you all.

Senator UDALL. Thank you, Senator Shaheen.

Senator BARRASSO.

Senator BARRASSO. Thank you very much, Mr. Chairman. As you clearly know in the West we are facing an unprecedented challenge to forest health, especially Wyoming and in Colorado due to bark beetle infestation. It's spreading further and faster than ever before.

In the Medicine Bow National Forest alone we have nearly 500,000 acres of standing dead timber due to bark beetles. Beetle infested acres doubled between 2007, 2008 and every forest in Wyoming is affected. Without swift action by land managers those infested trees certainly will become fuel for wildfires.

Yet the Forest Service did not spend a single dime of stimulus money to combat this problem in Wyoming. The Agency dedicated resources to States without any Forest Service land. The Agency dealt with forest health in every neighboring State surrounding Wyoming. I know the Forest Service has heard from our delegation as well as from our Governor.

So, no money went to the severe forest health threats in Wyoming. This, to me, is not just a missed opportunity, but really a disrespect to the folks of Wyoming who live and work in these forests. You know, I've been critical of the stimulus package.

Yesterday in the Washington Post, economist Robert Samuelson wrote a column called the Squandered Stimulus. He said, "The program crafted by Obama and the Democratic Congress wasn't engineered to maximize its economic impact." It was mostly, he said, "a political exercise designed to claim credit for any recovery, shower benefits on favorite constituency and signal support for fashionable causes."

I would like to have some real answers from the Department of Agriculture. I want to know exactly how the Agency is going to combat the effects of bark beetle infestation and how resources are going to be made available to do so. Mr. Jensen?

Mr. JENSEN. Senator, thank you. Before I get into that, if I might, wish you a happy birthday today.

Senator BARRASSO. Thank you very much.

Senator UDALL. You sent him a card. So that's good. That's impressive.

[Laughter.]

Mr. JENSEN. We hope the opportunity of stimulus is not over yet. The Forest Service is not finished its disbursement of Recovery Act funds. We are keenly aware of the challenges that are occurring out there along the Rocky Mountain front extending up into Wyoming. The challenges around bark beetle in particular are immense. We do need to be redoubling our efforts which is going to include looking at new tools, other funds and opportunities to bring in the private sector to help solve some of these challenges.

The Recovery Act itself, we believe that it is being and will continue to be and become more so a significant factor in helping rural communities, forested communities in particular get back onto their feet in large regard. We'll be happy to follow up with you to discuss any of the details and specifics about how that's unfolding.

Senator BARRASSO. I'd like to do that. I visited with our Governor Friday night in Cheyenne Frontier Days. You know, we need to ask about how this is unfolding. Also we need to talk about new resources to reducing our risk for catastrophic fires.

Another way of looking at it is the need for good neighbor authority, to all of the states. You know, in terms of putting boots on the ground. Right now we have heavily affected areas, and I was driving through those last weekend in a couple of counties, Wyoming. In terms of being able to thin or remove dead trees. There's no permission for the states to do it.

No permission for private folks to do it. Only the Federal Government can do it and right now you're not doing it. So are there thoughts of extending good neighbor authority to allow states and others to participate in this?

Mr. JENSEN. I think it is clear that we need to be looking at all the existing tools we have and perhaps any, some new tools that are out there. Things like stewardship contracting could be a very useful mechanism. With the recent new moneys that have come through with emergency supplemental appropriations and looking at the Recovery Act, we're hoping that we can put that to good use there.

Senator BARRASSO. I appreciate that. We have a State forester who wants to get out and get some things done. Doesn't have permission, even though he does have some resources, but much of the need is on Federal land. So, he is not able to do the work.

So we look forward to working with you. Thank you.

Mr. JENSEN. Thank you, Senator.

Senator BARRASSO. Thank you, Mr. Chairman.

Senator UDALL. Thank you, Senator Barrasso. I would note for the record that this is also the birthday of Congressman John Salazar. He would characterize himself as the wiser and of course, older member of the Salazar family.

[Laughter.]

Senator UDALL. But we want to wish both Senator Barrasso and Congressman Salazar the best.

Let me turn back to Senator Murkowski. I know she has some additional questions for the panel.

Senator MURKOWSKI. Thank you, Mr. Chairman. Mr. Jensen, I wanted to ask you a couple questions about the modifications that the House of Representatives have made to the proposed FLAME Act. One of them is an addition that would allow for a plan, developed in coordination with the National Guard Bureau to maximize the use of National Guard resources to fight the wildfires.

What is the administration's position on this particular addition to the FLAME Act?

Mr. JENSEN. The air resources that the National Guard and the ground resources that National Guard can bring to bear are a part of the solution that need to be. But we need to be able to look strategically at where the best investment, kind of going back to this notion of investing in the most high priority areas and all.

Senator MURKOWSKI. Do you get concerned at all with the fact that, you can't always rely on the National Guard when you need them? They might be off doing something else, responding to some other emergency which may be a higher priority. Yet you have counted them as among your assets to respond.

Mr. JENSEN. Indeed that's why it's important to make sure that we have the resources within the Agency itself and its cooperators to get after these problems. The National Guard and other resources will be part of the solution, but it's not one that we can rely on alone, nor should we focus too much of our efforts on.

Senator MURKOWSKI. In the 2005 Interior appropriations report the Forest Service was directed to provide a strategic plan. The plan was due by March 1, 2005, for procuring and managing critical assets, the aircraft and directing that the plan be developed with alternatives that include input provided by private industry. It's my understanding that this report has not been submitted. Do you have any status on such a report?

Mr. JENSEN. As we've arrived into Washington, DC, we've taken a look at that, what's been developed to date. We're currently reviewing that right now for such a release. We'll be running through processes to get some more visibility on that issue. Getting the right mix of aviation resources and assets is going to be key.

Senator MURKOWSKI. When do you figure you might be able to have that report?

Mr. JENSEN. We're in the process right now of looking at that report. I'm hoping and optimistic that by the end of the year we can get something out there.

Senator MURKOWSKI. It would be helpful if it could be before the end of the year recognizing that once you get the report then you want to be prepared for the next budget. If you're waiting until the end of the year, it would be my suggestion that you try to expedite that, if it could be done by September 30. It seems to me 2005 was a long time ago and I do appreciate the fact that you all have just come in, but it does seem to be a key priority to make sure that we have these assets that are out there. So if I could urge any expediency I would certainly do that.

Then one final question. This is again a change that the House is proposing to the FLAME Act, regarding prescribed fires and notice of the fires.

It requires that as part of the strategy before any prescribed fire is used on national Forest Service land, the owners of adjacent private land are notified in writing of the date and the scope. Do you have any idea how long this might take? What the cost might be for the Forest Service to figure out who the specific land owners are on these adjacent lands?

Mr. JENSEN. We haven't scoped out the details specific to that. But it's clear that it would be a significant investment and might even say a burden. The agency takes very seriously to the need to be a good neighbor.

In that regard we currently have processes in effect that enable us to provide notice, contacts and we think that it seems to be working in certain ways. It seems to be working well. A strict requirement could potentially be overly restricting on the ability of the Agency to achieve the broader fire effort.

Senator MURKOWSKI. It's also tough. I know that when we have had prescribed burns up North you're really subject to a window of weather conditions, what is going on with the winds. If you had to provide for notification, to several of the folks that I represent, you know, they're literally scattered to the winds in terms of providing adequate notification in a very timely manner. It could be very difficult.

Mr. JENSEN. Alaska presents a very unique situation, but it's not just unique to Alaska there.

Senator MURKOWSKI. Yes.

Mr. JENSEN. I think the rest of the country sees some similar challenges.

Senator MURKOWSKI. I would agree. So it sounds like you are withholding judgment or perhaps not certain, actually how this provision coming over from the House might be implemented in the FLAME Act.

Mr. JENSEN. We think that the existing Agency forms and structures are more than adequate to be that good neighbor.

Senator MURKOWSKI. Alright. Good. I appreciate that. Thank you, Mr. Chairman.

Senator UDALL. Thank you, Senator Murkowski.

Senator Shaheen.

Senator SHAHEEN. Thank you. I just have one final question that I hope you could respond to. The Energy Committee examined the role of biomass when we did, particularly biomass on public lands when we considered the Energy Bill. I think it's clear that wise forest management practices are important not just to the health of the forest, but also can be very helpful as we're looking at our future energy needs.

So I wonder if you could talk about the role of biomass in managing forests to mitigate wildfires.

Mr. JENSEN. Biomass is going to be an absolutely end utilization of that biomass is going to need to be a key part of where we approach the wildfire problem. Reduction of those fuels, recovery of those fuels and perhaps putting use into some sort of bio energy utilization, the creation of green jobs through those efforts. Done appropriately and sustainably—appropriately scaled and done in a sustainable fashion will be key to that.

We have a lot of experience out there with the communities knowing how to do that the right way. Working with existing industry as well to make sure that it's done in a way that is not a hindrance to those that are already out there. But if we're going to get ahead of—we're going to have difficulty addressing all of our wildfire problems if we don't find a way to involve the private sector in some of these solutions and utilization of that biomass is going to be key.

Senator SHAHEEN. Thank you. No further questions, Mr. Chairman.

Senator UDALL. Thank you, Senator Shaheen. I'm going to wrap up this panel unless as I direct a few comments for the record and direct some questions to the panel that the other two senators have additional questions. But I want to thank the chairman for holding the hearing. I want to thank him for a chance to sit in on his stead.

Senator Murkowski assures me that the Finance Committee and the HELP Committees are going to have a health care reform package shortly. That's where Senator Bingaman is today, I believe.

I'm a co-sponsor of this bill. I also co-sponsored the original House bill with Chairman Rahall and during the last Congress when I had the opportunity to serve in the House. I'm pleased the administration has taken this important step.

It is no doubt easier to pretend each year that we're not going to have to spend this money than to budget for it up front. It's also important to emphasize that there's a great need to reduce the severity of wildfires proactively in order to reduce the costs of suppressing and fighting those fires once they start raging. I remember being on the side of a fire, I'm sure Senator Murkowski has had this experience, perhaps Senator Shaheen as well.

With Rick Cables, Director of the region, Mr. Jensen, you know, that Colorado is a member of and he used an analogy that this is like going to war when you fight a fire, although you're warring with Mother Nature. When you hear the sound of the aircraft, you hear the sound of the vehicles, you watch the firefighters on the ground, you're hearing the sound of money being spent. So this is obviously the 2, suppression and then proactively reducing fuel treatments interact.

By putting this fund in place we go a long way to make sure those preventative fuels treatment projects are undertaken and completed. So we need to make sure that this fund is used for fire suppression costs so that there's little to no future need to supplement the fire suppression funds by drawing down funds for other critical agency work such as fuels treatment. It's not only about being honest about the cost of fighting wildfires, but about the impacts of failing to budget honestly, have had on other programs.

Small businesses have had their contracts canceled. The important work on the ground gets canceled indefinitely each year when the money runs out. So again, I'm pleased that we're moving.

In that spirit let me direct a couple of questions to the panel. I'd like to direct these comments to Mr. Jensen, Secretary Suh. Your testimony refers to the proposal for contingent reserve account on the administration's budget for fiscal year 2010.

In a recent letter to the Director of OMB, Secretary Vilsack pointed out that the contingent reserve proposal, let me quote here,

“Does not resolve the core issue confronting the Agency with respect to funding large, catastrophic wildfires differently. It also provides a 1-year solution for what may likely be a constant pressure added to the Agency’s budget for the foreseeable future. We believe that both the administration’s proposal and the FLAME Act are meritorious.”

Mr. Jensen, does the Secretary stand by that assessment?

Mr. JENSEN. The Secretary does stand by that assessment and clarifies and expands upon that in our testimony today. The simple fact I put forward is that the FLAME Act and the President’s budget complement one another. There’s going to be a need to find a way to make the two of them work to get ahead of this problem.

Senator UDALL. Let me turn to Secretary Suh. Does Secretary Salazar share that view?

Ms. SUH. He does. Secretary Salazar certainly supports the administration’s budget. I think we recognize that the FLAME Act, in particular, would provide a permanency in the statute that the budget does not. We fully agree with my colleagues at the Department of Agriculture that the two are very complementary.

The contingency fund & FLAME Act Complement each other. we look forward to working with you all to determine how we get to some of the details with respect to the baselines. I think that’s just the type of approach that Secretary Salazar would be in support of.

Senator UDALL. Thank you for that clarification. I don’t think I have to urge the Department of the Interior and the Department of Agriculture to work together as we face this important challenge. I would note that Senator Shaheen and I, in the early stages of the hearing were in the back room talking about the history of the Department of Agriculture, the history of the Department of the Interior, why the land agencies are assumed the portfolios that they now have.

We were ably assisted by Stan Sloss who is sitting here behind me who many of you know from his long service in the House. He’s now over here on the Senate side. In sum, the point I’m trying to make is that this is too big a challenge to revert to sometimes the turf battles that have characterized the relationship between Ag and Interior.

So I want to thank you in advance for stepping up to a higher standard here when it comes to working together. Sometimes we have major work. At seasons it could be, but I know they’re cool, calm and mature heads in both agencies.

I also wanted to thank Senator Murkowski for mentioning the study on the aviation support that’s been so important in fighting fires. We had a tragic accident in Colorado. I remember working on an ongoing basis with Under Secretary Rey to see that the report, Mr. Jensen, was completed.

I know Senator Murkowski and I would do anything possible to get that aviation strategy completed so that we know what future costs are going to be and the assets that we’ll have to fight fires in the future will be as well. So anything we can do to help move that along we’d like to do so.

Let me turn finally to Colorado. Senator Murkowski and I were talking about her experience at skiing in Colorado. I think now I

have to go ski in Alaska next year as a way to support the Alaska ski industry.

But she was astounded by the beetle kill in Colorado, particularly in the North central mountains. It's just stunning, deeply dismaying. We do, with luck, look like we may because of the weather patterns we've had this spring and summer save us from a truly catastrophic fire this year.

We need still, though, more resources to reduce hazardous fuels and suppress wildfires that do occur. Ms. Dalton mentioned that the Agencies are working to prove their allocations of hazardous fuels funding and fire fighting assets through land, fire, FPA and other methods. Can you tell me whether those models and methods take the bark beetle situation in Colorado into account?

I'm looking at Ms. Dalton, but also Mr. Jensen.

Ms. DALTON. Those methods do, it is my understanding, provide data on a nationwide basis that's very consistent. So to that extent I would expect that they would. But I think Mr. Jensen probably can answer in more detail.

Senator UDALL. Thank you.

Mr. JENSEN. Absolutely. We expanded a little bit earlier here on how some of the decisions are made within the Agency around fuel reduction. A notion here, particularly in the case for Colorado is looking at the values at risk and trying to figure out where the investment of the limited moneys we do have are going to make the most affect. That is very much around the infrastructure of communities and protection of watersheds and the drinking water that flows from that.

So we're going to need to be making the most of what limited resources we do have to hopefully head off the potential problem that we are looking at there in Colorado.

Senator UDALL. Secretary Suh, any comment in that regard?

Ms. SUH. It's interesting that you raise Colorado in particular. We were just having conversations at Interior about doing an exercise so that a lot of the new folks to Interior could learn about the Office of WildLand Fire Coordination. Using catastrophic fire in Colorado is a potential opportunity for both of us to learn about the way our agencies and bureaus work together. As well as our state of preparedness with respect to some of the more pronounced problems, we have on the horizon.

So we'll be actually going through this exercise in a couple of weeks. If you're interested in coming, we'd be happy to have you or any of your staff join us.

Senator UDALL. Thank you for that. Yes, I think about for example, the Eastern boundary of Rocky Mountain National Park which is one of the areas where you see almost every tree, every lodge pole, pine that's been killed. You then have Forest Service lands adjacent and then a checkerboard land ownership pattern of private ownership as well. There may even be some State forest lands and so that coordination looms all the more important in a setting like that.

Then you put in the mix, of course, the statutes surrounding the parks and the way we're working to manage the National Parks. I would note that with the latest public lands package we passed early in this Congress that we did reach a life, well almost a life-

time goal for many of us which was to set aside Rocky as wilderness based on the Nixon administration recommendations. That new law though, does give us the flexibility to handle this situation in particular as appropriate.

Mr. Jensen, you also view the Department of Agriculture and the ski industry concerns have been working I know with the ski industry to provide some additional flexibility particularly so the ski industry can protect within their boundaries trees that are particularly important, stands of trees that are particularly important in protecting the snow resources. Is that not correct?

Mr. JENSEN. Absolutely correct. Yes.

Senator UDALL. I want to commend you for that. We need to continue to work with the ski industry. Senator Murkowski was pointing out to me that in some cases the ski industry is actually working hard to save individual trees because they are so key holding snow pack, particularly at the timber line interface where the winds rule.

If that snow gets blown away it not only sublimates back as a water vapor, but you don't have ski runs that are usable.

Mr. JENSEN. If I might add a little bit. The ski industry is a critical partner with/for the Forest Service and the Agency. Not only do they help us deliver our mission and provide those recreational opportunities out there for the public. But they also provide a great opportunity to help spread the message of what forests and forest management bring to the country.

We're, with the numbers of people that come to the ski resorts, we hope that we can continue that partnership.

Senator UDALL. I want to thank the panel. Senator Shaheen or Senator Murkowski, do you?

Any panel member have a final comment or should we excuse you?

Thank you for taking the time to come up to Capitol Hill. We'll now prepare for the second panel as the first panel departs. Thanks again.

Our second panel, like the first panel will be testifying on the FLAME Act. I want to welcome first Leah MacSwords, who is the President of the National Association of State Foresters.

Second welcome, Max Peterson, Former Chief of the Forest Service. It's not often we have icons that come to Capitol Hill, but Max Peterson is an icon. It's wonderful to see you here, Mr. Peterson.

Ms. MacSwords, would you like to share your testimony with us?

**STATEMENT OF LEAH MACSWORDS, PRESIDENT, NATIONAL ASSOCIATION OF STATE FORESTERS, STATE FORESTER OF KENTUCKY, REPRESENTING THE PARTNER CAUCUS ON FIRE SUPPRESSION FUNDING SOLUTIONS**

Ms. MACSWORDS. I can.

Senator UDALL. Thank you very much.

Ms. MACSWORDS. I want to thank the committee. I'm appearing today on behalf of the Partner Caucus on fire suppression funding solutions. This was assembled earlier this year by the National Association of State Foresters, the Wilderness Society and American Forests.

The Partner Caucus is made up of more than 100 organizations. We advocate for a new mechanism for funding emergency fire suppression activities for the United States Forest Service and Department of the Interior. The ongoing lack of a sustainable fire funding is a problem on the Agency's balance sheets and puts the Nation's forests at great risk. The Partner Caucus is committed to helping Congress find a solution and ensuring that the Forest Service and Interior can accomplish their critical land management goals.

I will address our recommendations related to S. 561, the FLAME Act. My testimony reflects the support of more than 70 members of the Partner Caucus. A full list of supporting organizations will be submitted to the committee along with my official statement and a document that captures our shared principles on this issue.

The cost of suppressing wildfires has grown enormously in recent years. Projections indicate that this trend will only increase. The Forest Service in particular has spent over \$1 billion per year in 5 of the last 7 years fighting fires.

The approach today used to fund the enormous wildfire suppression cost is referred to as the 10-year rolling average. Each year an average of the amount of fire suppression over the last decade is the figure that determines the suppression budget for the coming year. The overall Agency budget does not expand to accommodate this ballooning figure however. Instead fire suppression becomes a proportionally larger percentage of the overall Agency budget.

In FY 1991 the suppression was 13 percent of the Forest Service budget. This year it was nearly half. With budgets that remain essentially flat or decline from year to year, the Forest Service and Interior have two options to find suppression costs that are over and above the appropriated level.

One is to request supplemental funding from Congress.

The other is to transfer limited dollars from other essential Agency programs.

Such transfers disrupt or cancel projects that could actually serve to drive down the cost of fire suppression over time. We must not continue to jeopardize the on the ground work that is improving the health of our forests and helping to protect people and property from devastating fires. Within the fire suppression portion of the budget catastrophic emergency wildfires consume 85 percent of all suppression costs and account for over 95 percent of all acres burned.

Catastrophic wildfires refer to those fires that unduly threaten people or property or are uncharacteristic in nature. These are not average fires and should be treated the same way as other natural disaster. Costs associated with these extraordinary fires diminish the ability of the Forest Service and Interior to meet their other land management responsibilities.

Remarkably there is no Federal law that mandates the use of the 10-year average to calculate yearly suppression costs. Instead it's become an Agency tradition and one that is out of date and no longer the best way to predict future emergency suppression costs. The members of the Partner Caucus recommend creating a partitioned wildfire suppression account to fund emergency fires.

To this end we support the FLAME Act under consideration in the Senate which establishes the FLAME fund specifically for suppression of catastrophic emergency wild land fires. The FLAME fund will eliminate the depletion of other agency programs to pay for suppression by providing a sustainable funding source that is separate from the Agency's program funding. The appropriation for this special account would be calculated using an average of past emergency suppression activities rather than an average of all fire suppression costs.

Each year in the height of fire season, Congress appropriates emergency funds to meet the skyrocketing cost of fire suppression. The FLAME Act would give Congress the means to fund emergency suppression before agencies have to take the drastic measure of transferring funds from other programs. We also recommend replacing the 10-year average with the discretionary budgeting process that is more predictive and statistically modeling approach.

By using current models for weather, drought and fuel loads, as well as fire history and other data, we can better predict how much funding the agencies will need for non-emergency fires. Separating the costs incurred by true emergencies from more predictable day to day agency fire responsibilities will ease a tremendous burden on the Forest Service and Interior. The FLAME Act will provide clear guidelines for funding emergency suppression by establishing specific accounting requirements on how the money can be spent and giving direction to the agencies for the budgeting of wildfire needs in the future.

The contingency reserve fund proposed in the FY 2010 President's budget and included in the House Interior Appropriations Package provides the money that is necessary for this new approach to funding emergency fire suppression activities. The FLAME Act can provide the framework on how the contingency reserve fund is spent. The FLAME Act as passed in the House last March was amended on the floor and several of the amendments significantly change the original intent of the bill which was to create a partitioned account to pay for only emergency fire costs.

The Partner Caucus supports the FLAME Act as introduced in the Senate and advocates that the bill maintain its focus on creation of a partitioned account. The recommendations developed by the Partner Caucus on fire suppression funding are essential to solving this problem in a holistic manner. We believe the investment of funds into the range of agency programs that will have been impacted by increasing suppression costs is critical as well.

In closing all members of the Partner Caucus have been impacted by the issue. Have a stake in assuring that the Forest Service and Interior can accomplish their critical land management goals. The agencies depend on a huge number of environmental organizations, State forestry agencies, the outdoor recreation industry, land owners, fire service, hunters and anglers, the timber industry, local governments and many others.

We look forward to working with this committee to insure the passage of the FLAME Act in this Congress. I'd be happy to answer any questions or provide any further information as you see fit.

[The prepared statement of Ms. MacSwords follows:]

PREPARED STATEMENT OF LEAH MACSWORDS, PRESIDENT, NATIONAL ASSOCIATION OF STATE FORESTERS, STATE FORESTER OF KENTUCKY, REPRESENTING THE PARTNER CAUCUS ON FIRE SUPPRESSION FUNDING SOLUTIONS

On behalf of the Partner Caucus on Fire Suppression Funding Solutions, I thank Chairman Bingaman and Ranking Member Murkowski and the rest of the Committee members for the opportunity to appear before you today. My testimony is focused solely on the section of the FLAME Act that establishes the FLAME fund for emergency fire suppression.

I am president of the National Association of State Foresters, representing the directors of state forestry agencies in all 50 states, eight U.S. territories and associated states, and the District of Columbia. I am proud to be representing the Partner Caucus—a unique and diverse group of organizations dedicated to finding a new mechanism for funding emergency fire suppression activities for the U.S. Forest Service and the Department of the Interior land management agencies. Assembled by NASF, The Wilderness Society and American Forests in early 2009, the Partner Caucus includes leading industry, environmental, outdoor recreation, and forestry organizations that all recognize the urgency of this problem. Attached to this testimony is the Partner Caucus' principles and recommendations document that includes a complete list of supportive organizations.\* The Partner Caucus was created to bring attention to the imperative need to release the stranglehold that emergency suppression costs are having on the agencies' budget and programs, and the resulting negative economic and environmental impacts.

THE CHALLENGE

All of the nation's forests face numerous threats, including insects and disease, development pressures, changing climate, and catastrophic wildfire—meaning those wildfires that unduly jeopardize people and property or are uncharacteristic in nature. An ongoing lack of sustainable funding is yet another pressure on America's forests prohibiting agencies from accomplishing their management goals. On behalf of the Partner Caucus, I will address the combined effect of these last two threats: the financial impact of catastrophic fire on the Forest Service and Interior and the need for a comprehensive solution to this escalating problem.

A DIVERSE COALITION OF PARTNERS

One of the major factors behind the diverse nature of the Partner Caucus is how broadly the challenges of fire suppression funding impacts the agencies' critical partners, including national and local environmental organizations, state forestry agencies, outdoor and recreation industry, land owners, hunters/anglers, timber industry, local governments, fire services and other groups interested in land management.

We stand ready to assist Congress in identifying a new mechanism for funding emergency fire suppression activities.

THE IMPACT OF WILDLAND FIRE SUPPRESSION COSTS

The cost of suppressing fires has grown enormously in recent years and projections indicate that this trend will only increase as a result of hazardous fuels build-up, a changing climate (and thus, ecology), and increasingly populated wildland-urban interface areas. For example, the Forest Service has spent over \$1 billion per year in five of the last seven years to extinguish fires. Fire suppression, the largest component of agency wildland fire management activities, rose from 13% of the agency's budget in fiscal year 1991 to close to 50% in 2009. Extraordinary emergency wildland fire suppression activities account for over 95% of all burned acres and consume 85% of all suppression costs. These are not average wildfires; they should be treated the same way as other natural disasters to avoid severe depletion of the agency's constrained budget.

As the primary agencies responsible for wildland fire protection, these escalating fire suppression costs have had a detrimental effect on program implementation within the Forest Service and Department of the Interior. Due to their budgets remaining essentially flat or declining from year-to-year, core program budgets have been drained in order to sufficiently fund fire suppression at the required 10-year rolling average level. Although no federal law requires that the agencies budget for the 10-year average of fire suppression costs within their budget, it has become an unchallenged method of calculating yearly suppression costs. This is not a mandated practice; instead it is just a tradition, and one that is out of date and no longer the

\*Document has been retained in committee files.

best way to predict future suppression costs. Most other agency programs are not accounted for in this way. Even with the diversion of funds, agencies are regularly compelled to request supplemental funding from Congress and are forced to transfer already limited dollars from other essential agency programs. Such transfers further reduce program budgets, leading to program disruptions, project cancellations and strained relationships with partners.

All Forest Service programs are subject to transfers including funds from State and Private Forestry, Capital Improvement and Maintenance, National Forest System, and Wildland Fire Management. In fact, the very programs that could reduce the risk of uncharacteristic fires, ease the impact of fire suppression costs and more effectively protect people and property are also the ones that suffer two-fold; they are both reduced on the front end of the budgeting process as money is diverted to fund the 10-year average for suppression, and are subject to transfers of funds later in the fire season as fire suppression costs increase.

#### RECOMMENDED SOLUTIONS

The Partner Caucus has developed two recommendations towards a solution. The first recommendation is to create a partitioned wildfire suppression account to fund emergency fires. This is for those truly emergency fires that consume most suppression appropriations—fires that have significantly increased the cost of suppression over the last 10 years, led to decreases in appropriations for other agency programs, and on a yearly basis require Congress to supplement appropriations for increased suppression.

Our second recommendation is to replace the 10-year rolling average with a more predictive and statistical modeling approach. One that utilizes current weather conditions, drought and fuel loads as well as fire history and other data in order to accurately estimate non-emergency fire suppression costs. This will project the extent of wildland fire on the landscape and use economic modeling to predict funding needs. The Senate FLAME Act (S. 561) addresses both of these recommendations and many of the Partner Caucus organizations support the FLAME Act (S. 561) as introduced.

The Act will establish a new federal fund specifically for suppression of catastrophic emergency wildland fires, which will move the nation towards a more sustainable suppression funding mechanism. This FLAME Fund will reduce depletion of the other agency programs to pay for suppression and provide a more established funding source than the current emergency supplemental funding. The Act will institute clear guidelines for funding emergency fire suppression by establishing specific accounting requirements on how that money can be spent and for agencies to budget for emergency and nonemergency fire in future years.

These two recommendations are essential to solving this problem in a holistic manner. The Partner Caucus also advocates for investment of funds into the range of agency programs that have been impacted by increasing suppression costs. This must occur in order for agencies to accomplish their overall missions. Second, we advocate for the continued development and implementation of a rigorous set of measures to achieve cost containment; thus linking fire management activities to resulting fire costs. We contend that these recommendations and principles will move us towards a more common-sense budgeting approach for both the Forest Service and Department of the Interior.

The Partner Caucus is supportive of the establishment of the FLAME Fund as described in the FLAME Act as introduced in the Senate (S. 561).

#### MAINTAINING THE FOCUS OF THE FLAME ACT

The FLAME Act as passed in the House of Representatives (H.R. 1404) was significantly amended on the floor. Eleven amendments were adopted into the Act and several of them change the intent of the bill. One amendment allows accessing the FLAME Fund for containment activities in response to crisis insect infestations to reduce the likelihood of wildfires. This means that the emergency partitioned account could be used for projects on insect-affected areas before the fire season even begins. The approved amendment also expands the definition of suppression to include activities such as hazardous fuel reduction, mechanical thinning, controlled burn, and a suite of non-suppression activities. While fire-risk reduction is critical, it is not the purpose of the FLAME Fund. This, and other amendments, will have significant ramifications not just on the FLAME Fund but also on other wildland fire management activities. The Partner Caucus supports the as introduced (S. 561) and advocates that the Senate bill move forward in a more streamlined fashion focusing on the need for the partitioned account.

## CONTINGENCY RESERVE FUND

In order to ensure a good government approach to funding emergency fire suppression activities we need rely on dedicated funding sources that will not limit or impact the funding or resources of other important agency programs. In the President's FY10 Budget Proposal, a Contingency Reserve Fund for fire suppression activities is outlined that commits funding over and above the suppression funding included in the Forest Service and Department of the Interior budgets. The Contingency Reserve Fund is available for agency use once their suppression budgets have been spent and after notifying Congress of their need to use the fund.

The President's budget also includes annual suppression funding at the 10-year level for the Forest Service and Interior, noting that the annual funding and contingency fund should not impact other important agency programs. In order to fund suppression (which currently consists of initial attack and emergency suppression activities) at the 10-year average, the agencies must pull funds from other programs to meet the ever-increasing average. Requiring an agency to budget for emergency events within the discretionary appropriations process is a recipe for failure. No other federal agencies have to pull funding from their core programs in order to fund emergency events like floods and tornadoes. A more predictive modeling approach that balances actual conditions with average costs would better serve how much funding the agencies will need for nonemergency fires.

The FLAME Fund would still use an average that calculates the amount of money needed for emergency fire suppression activities in any given year, but when dealing with true emergencies an average is probably the best approach. This is not new money. Every year, Congress appropriates emergency funds to address the sky-rocketing costs of fire suppression. FLAME would provide Congress the means to fund emergency suppression before agencies have to take the drastic measure of transferring funds from other programs.

## COMPLIMENTARY APPROACHES TO A SOLUTION

The Partner Caucus believes that the FLAME Fund and the Contingency Reserve Fund are complementary ideas. The FLAME Fund will provide the requirements for how the Contingency Reserve Fund monies are spent, allowing the public to see how much of the Forest Service and Interior budgets are actually being spent on emergency events. Congress can take action by providing funds via the annual appropriations process, the emergency supplemental process or use other funding sources to provide funding for the FLAME Fund. Both the administration and Congress have demonstrated their willingness to provide funds necessary for both initial attack and emergency fire suppression events. This is an efficient and fiscally responsible mechanism to the budgeting and authorization process.

## CLOSING REMARKS

I thank you for the opportunity to speak with you about this important issue. Representing this group of unique organizations that have banded together in a groundbreaking way has been an honor. The National Association of State Foresters and all of the organizations represented by the Partner Caucus on Fire Spending Solutions look forward to working with this committee to ensure the passage of S. 561 in this Congress. Your attention and action toward creating a change in the way we pay for catastrophic wildland fires and recognizing the effect this has on the agencies' abilities to protect our natural resources and serve our public is greatly appreciated. I am happy to answer any questions and/or provide any further information you may request.

Senator UDALL. Thank you, Ms. MacSwords.  
Chief Peterson.

**STATEMENT OF R. MAX PETERSON, RETIRED CHIEF,  
FOREST SERVICE (1979-1987)**

Mr. PETERSON. Thank you. Good morning, Senator Udall.

Senator UDALL. I know you don't really need a mic.

[Laughter.]

Senator UDALL. But it will be helpful for those taking the transcript.

Mr. PETERSON. I believe it was suggested I don't always need a mic. I better check, particularly with my kids. Anyway, good morn-

ing, Senator Udall and Senator Murkowski and Senator Shaheen. I was sitting there I reflected back to another Senator Udall that I knew quite well that you're related to and to a Senator Murkowski that I know Lisa is related to. Senator Shaheen when she was still a Governor. So it's nice to be here with you.

If you'll accept my testimony for the record, I'll brief it to you. I have great confidence in your ability to read. So I don't feel I need to read it to you. So I'll just brief it quickly.

First, I appreciate your holding the hearing. I appreciate the fact that you're co-sponsor of the FLAME Act. I think it's a good solution to a problem that's been around for a long time.

I asked Jensen to leave this chart up here. If you look at the average there, you find that the average never really happens. There's not a single year up there that's average. If you notice I think there's 7 years on that chart that are above average.

So an average really is not a good way to handle fires. It gives you a sense that you must be doing something right because you're using the average. I doubt that we'd use the average on a lot of other things. We'd probably not have lunch the day on the average that people would eat or we would not like to have to be restricted to the average height of people or the average weight of people. So averages for fire is kind of ridiculous.

A few months ago the fire retired chiefs sent a letter in response to the introduction of the FLAME Act. I'm happy today to add that that could be a—we have 6 chiefs now. The recently retired chief said she'd like to be on record as favoring the FLAME Act, Gail Kimbell, had just retired. I told her though when she told me that, I said you must recognize that I do have a particular distinction. She said, what's that? I said, I'm the oldest retired chief, so I'm the senior chief. So you've got to respect your seniors.

It was 60 years ago next month that I went to work for the Forest Service in a little part of the Plumas National Forest in Reno, Nevada and spent 37 and a half years there. But let me just simply reiterate support for the FLAME Act. I think it's a very good act.

I have real problems with, that I've outlined in my testimony, with several of the Senate provisions. I'll just pick out one for example. The provision says you should notify absentee landowners. Usually that's Forest Service policy right now.

But if you go to any place in the country and you say, who are the absentee landowners. You find out absentee landowners change weekly. So you really would have to figure out a way to figure out a weekly list of people to notify.

We usually used radio and TV and other kinds of publicity to let people know that there's going to be a prescribed burn. We do notify absentee land owners based on the list that we have. But that list may have changed 2 weeks ago.

Providing that individual letters be sent to each one of those absentee landowners would be, I think, unnecessary and would slow down—many times when you do a prescribed burn you have an idea of when you plan to do it. But it may change from week to week because the weather may change, the predicted weather may change. You don't do a prescribed burn if you've got a prediction of a major front coming through, for example. You may have a time that you plan to do something and it simply doesn't work out.

I've outlined in my testimony some other problems with the House passed version. But again we do support the Senate version of the FLAME Act. Thank you very much, Mr. Chairman.  
 [The prepared statement of Mr. Peterson follows:]

PREPARED STATEMENT OF R. MAX PETERSON, RETIRED CHIEF, FOREST SERVICE (1979-1987)

Mr. Chairman and Members of the Committee:

Thank you for holding this hearing. I appreciate the efforts that you have made to resolve the issue of funding for emergency fire suppression. Resolution is vital to protecting the well-being of our Nation's forest resources.

The current system of funding fire suppression on the National Forests and other public lands clearly does not work. It does not provide enough money to cover the costs, necessitating disruptive borrowing from on-going programs. And funding the growing costs of emergency fire suppression within constrained budgets has seriously compromised the ability of the Forest Service to carryout its statutory responsibilities. I know that you and the members of this committee recognize the problem. It is time to fix it.

A few months ago the five retired Chiefs of the Forest Service sent you a letter urging passage of S. 561. The National Association of Forest Service Retirees signed on to a similar letter. I am here today to once again reiterate our support for S. 561, as introduced.

Throughout my career with the Forest Service and until the late 1980's, we had a simple procedure for funding fire suppression. Money needed for emergency fire suppression was borrowed from available trust funds. These trust funds contained money deposited by timber purchasers to cover the cost of reforestation, timber stand improvement, and slash disposal on cutover areas. At the end of the fire season the money borrowed was repaid through supplemental appropriations. It was a simple, straight forward approach. It worked well.

When timber harvest levels fell in the late 1980's, the money available in the trust funds was no longer adequate to allow borrowing for the full cost of fire suppression. A decision was made to include funding for emergency fire suppression within the agency's annual appropriation. The amount to be appropriated was the 10-year average cost of suppression. This decision created the problem we are facing today. By definition an average year seldom happens. Years tend to be either above or below average. When costs are above average it causes problems. With a rising cost trend, above average years tend to be the rule.

We should strive to provide a simple, straight-forward resolution to the funding issue. This means that (1) funding for emergency fire suppression must not compete with funding for the regular agency programs in the annual appropriation process. (2) Funding provided must be adequate to avoid disruption of on-going agency programs.

S. 561, as introduced, meets these two criteria. It provides for the creation of a fund (the FLAME Fund) separate from the regular agency budget and expresses the sense of the Congress that this fund will be considered emergency spending and would not count for the purposes of Title III and IV of the Congressional Budget Act of 1974. Frankly, I would have preferred the creation of a government-wide emergency fund rather than an agency specific fund, but if the partitioning provided in the Act is achieved, it will work. The provision for periodic estimates of anticipated suppression costs will allow the Congress to make timely additions to the FLAME Fund to reduce the need for transfers from on-going agency programs.

I have serious concerns about the amendments in the House version of the FLAME Act, HR. 1404, which was identical to S. 561 when introduced. The principal concern relates to the amendment that removes the sense of Congress language that appropriations to the FLAME Fund are considered emergency appropriations that would not count for the purposes of Title III and IV of the Congressional Budget Act of 1974. This change defeats the objective of the legislation. It will mean that funding for emergency fire suppression will continue to compete with the regular programs of the Forest Service and the agency's capacity to carryout its statutory responsibilities will continue to erode. This amendment is unacceptable.

Another amendment to the House Bill would expand authorized uses of the FLAME Fund to include hazardous fuel treatments and other activities. This legislation is intended to provide a means of funding emergency fire suppression while protecting other agency programs. Expanding the authorized uses of the Fund to cover other desirable, but not emergency, activities will take away from the rationale for designating appropriations to the fund as emergency spending.

A House amendment would require advance notice to adjacent landowners prior to a controlled burn. This has long been agency policy. Both public notice and individual letters are used. It needs to be recognized that there are many absentee land owners in and around our National Forests. Ownership changes frequently. Contacting every one in a timely manner may be impossible. I do not see the need for this redundant requirement in the funding legislation.

The House amendments add many additional reporting requirements—revision of comprehensive wildland fire strategies, review of certain wildfires to identify what can be done to prevent or reduce severity, a review to assess the quantity of greenhouse gasses produced, to assess the impacts on climate change, to include the presence of insect-infested trees in determining whether a fire is eligible for funding under the Flame Act, to examine the effects of invasive species, to maximize use of National Guard resources, and to amend the definition of “fire ready communities”. These are all interesting questions and ideas. It is not clear that the requirements for reporting or other changes represent the best way to address these issues. I suspect that many of the questions would be better addressed through well-designed research studies.

Mr. Chairman, it seems to me that the reason we are concerned about the issue of funding fire suppression is that we want to ensure on the ground stewardship of our nation’s forest resources. It is easy to add requirements for additional reporting and studies. It does not come free. It takes away from the resources available for getting needed work done on the ground. I would urge the committee to be very cautious about adding additional requirements to this legislation.

Mr. Chairman, we support enactment of S. 561 as introduced. I would be happy to answer any questions you may have.

Senator UDALL. Thank you, Chief. I wanted to also clarify for the record that all the other chiefs are icons as well, all six of you.

[Laughter.]

Senator UDALL. But you’re the senior icon.

Mr. PETERSON. Thank you. That’s kind.

Senator UDALL. On that note, let me turn to Senator Murkowski for questions or comments.

Senator MURKOWSKI. Thank you. I appreciate the testimony from both of you this morning. Chief, you spoke to your tenure, your history. You certainly remember a time when the timber program funded the trust funds. You could use those funds to pay for fire suppression then you were reimbursed by Congress.

Mr. PETERSON. Yes, that worked quite well for a number of years.

Senator MURKOWSKI. That was a process that we had before and it worked. Now I want to ask about using the funds in the FLAME Act as we’re proposing, allowing hazardous fuels work to be done. Ms. MacSwords, you have argued against allowing the hazards fuels work to be funded through the FLAME fund.

But I’m looking at this and recognizing that our costs are enormous when we’re dealing with these catastrophic fires. If the mechanical treatment of hazardous fuels is less expensive ultimately both monetarily and really environmentally, then paying for the suppression of these large catastrophic fires, why would we not want to use a portion of the FLAME fund to accomplish the work?

Ms. MACSWORDS. The Partner Caucus is focused on keeping the FLAME fund for emergency fire suppression costs. That’s the position of the Caucus. In my role as State forester with the National Association of State Foresters, we do believe in the treatment of hazardous fuels. But for the purpose of the FLAME Act we’d like to see it remain cleanly focused on suppression funding and that there might be other means to deal with funding for the treatment of hazardous fuels.

Senator MURKOWSKI. Would you agree that we might ultimately need less in that FLAME fund or perhaps use less if in fact we were to do the prevention work? In other words make sure that we had the dollars in place to work to reduce the hazardous fuels again, this mechanical intervention.

Ms. MACSWORDS. You are correct. If fuels treatment are performed it does reduce the cost of fire suppression which is the point of establishing the FLAME fund. So that the agencies are not borrowing from their other Forest Service and Interior programs that provide the funding for them to do the mechanicals and other fuels treatment.

So again, the Caucus wants to keep the FLAME fund focused on the suppression cost so that there is no borrowing of other agency programs that would do the treatments.

Senator MURKOWSKI. From your perspective, it is not an objection to provide for thinning of the forest. It's not an objection to going in and actually doing the work. What you're trying to fence off are the funds that are in the FLAME Act to be used for suppression?

Ms. MACSWORDS. Exactly.

Senator MURKOWSKI. So how then do we make sure that we have done all that we should be doing again, to reduce the hazardous fuels if we're not insuring that the dollars are available to do just that. Then if we don't do that we invariably have to take more from the FLAME fund to pay for the catastrophic fires.

Ms. MACSWORDS. I think that's a question that the previous witnesses have testified that the Forest Service and Interior are looking into and providing you specific examples of what those two agencies do intend to do to address the fuels treatment on the Federal land. From a State forester perspective we work with those vast majority of private and local and State landowners to deal with the fuels treatment on our own lands to prevent fires from crossing over on to National Forest lands.

Senator MURKOWSKI. Chief Peterson, can I ask you your opinion on this?

Mr. PETERSON. Yes. I'm very sympathetic to the whole idea of thinning and so on. I have told people that it's like having your house full of newspapers. I mean, you put all your used newspapers in the garage and pretty soon your garage is full of newspapers, but you've got a rule that you can't use any of your money to get rid of them.

Having all this fuel build up in the forest is a critical problem. Maybe some kind of partitioning with the FLAME Act or something would handle that. But I think until we reach the point that we're really going to do something about thinning the forest we're going to be back again and again and again dealing with this catastrophic situation because there's no solution of it short of dealing with the beetle problem in Colorado and some of the other major fuels build up that are there.

All you've got to do fly over this country and look at it and know it's there. So to say it's not there and have bureaucratic rules or bureaucratic objections to not doing anything to me, that makes sense. I'm from Missouri and you've got to show it to me. I've seen it and I'm ready to do something about it.

Senator MURKOWSKI. We appreciate that. I think we recognize that when you have strong timber harvest programs that reduce the fuels, decrease the intensity of the fire and ultimately decrease the costs—

Mr. PETERSON. Right.

Senator MURKOWSKI [continuing]. For suppression, that it is a good thing. Again, not only good for the bottom line financially, but good environmentally.

Mr. PETERSON. I think the biomass program would have some major potential benefits particularly if in removing biomass you could use some of the material for higher use, not just for biomass, but for actually some products. You might be able to make such thing as particle board or other things out of some other materials. So you could get more value out of removing the thinning.

But I think we need a really robust thinning program if we're ever going to get on top of the problem.

Senator MURKOWSKI. Thank you, Mr. Chairman.

Senator UDALL. Thank you, Senator Murkowski.

To begin, Chief, I want to acknowledge, I think it's extraordinary that as you arrived here I understood all five living retired chiefs supported this effort, now it's all six retired living chiefs. Similarly Ms. MacSwords, your organization helped to bring together a hundred, I believe, or more diverse organizations.

Can you just describe for the committee the key reasons that these important groups have come together to talk about, discuss and come up with a position on fire budgeting and the FLAME Act.

Ms. MACSWORDS. All of the groups that came together to work on this issue have a stake in what happens in our forests across the Nation, not only what happens on federally owned forest, but on privately owned forest or State and locally owned forest. We recognize the benefits of those forest lands whether it be for a forest product, for recreation, for the esthetic beauty of those forest, for the environmental benefits that those forests provide. To see those forests damaged by catastrophic wildfire to the extent that the other programs of the Forest Service and Interior that deal with the non-fire issues related to our forests.

But to see those programs reduced because of the funding mechanism for fire was unacceptable to the organizations that came together. Frankly we thought if we could bring 114 organizations together to focus on one issue, the FLAME Act, and the funding of wild land fire suppression, that that would hold a significant amount of weight to Members of Congress because a lot of these groups have some diverging viewpoints on other issues, but we came together on this one. Hopefully that would make an impression on you as to our willingness to work together because our forests are so important.

Senator UDALL. Thank you for that explanation. It's very, very helpful. It's inspiring that you set aside those differences just like Alaska and Colorado set aside the few differences we have to work together when it's appropriate.

[Laughter.]

Senator UDALL. Chief Peterson, do you have thoughts on the—the gang of 6, maybe we should call?

Mr. PETERSON. No, I didn't intend to mention—I'm greatly impressed by the ability of all these partners to come together. I think that represents really the best in our country that these groups that frequently are at odds with each other, with the help of the State forester, did come together, put this statement together. So I think that's a great help in this whole thing, I hope.

Senator UDALL. My final question before I give you a chance to make any final comments or Senator Murkowski has another question would be to once again return, I think to comments that you both made about the best way forward. Ms. MacSwords, you talked about the House and the amendments. Chief Peterson, I think you alluded to the bill that was in the House and verses the Senate proposal.

Would you prefer that the committee move forward with the Senate version of the bill or perhaps even something more streamlined than the Senate bill? Maybe I'll start with you Chief, if you had thoughts.

Mr. PETERSON. I would fully support the Senate version. I do not think the House version with all those amendments is the way to go. I think a streamline version, as the Senate bill is basically, is the way to go.

Senator UDALL. Ms. MacSwords.

Ms. MACSWORDS. The Partner Caucus would agree. We would like to see a bill that focuses on creating the FLAME Act and keeping it as clean and uncluttered as possible.

Senator UDALL. I think with that I've exhausted all my questions, at least for today. Do either of you have another comment or any other thoughts you'd like to share with us before we conclude the hearing?

Mr. PETERSON. Thank you for the hearing. Thank you for co-sponsoring legislation. Thank you.

Senator UDALL. Thank you. I think the fact that your comments are streamlined and to the point will be very helpful as the committee moves forward. The Committee on Energy and Natural Resources is adjourned.

[Whereupon, at 11:45 a.m. the hearing was adjourned.]

## APPENDIXES

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### APPENDIX I

#### Responses to Additional Questions

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##### RESPONSE OF PATRICIA DALTON TO QUESTION FROM SENATOR WYDEN

*Question 1.* GAO repeatedly has identified and discussed the shortcomings of the agencies using “acres treated” as a performance measure or target. In 2003, GAO reported that the agencies were developing results-oriented performance measures, but from what I hear, they still use acres-treated as a key measure of the performance of their land managers. Would you please provide the Committee with your Office’s latest assessment of the agencies’ use of this performance measure and your current recommendation for addressing remaining concerns?

Answer. Acres treated remains one of the agencies’ primary performance measures for fuel reduction projects and, as we reported in 2007, this measure has led the agencies to sometimes implement lower-priority projects with low per-acre costs in order to help meet acreage targets.<sup>1</sup> Better performance measures would assist the agencies in allocating fuel reduction funds and selecting projects in ways that reduce fire risk most efficiently and effectively.

As we reported in 2007, the agencies’ methods for allocating fuel reduction funds and selecting fuel reduction projects suffer from several shortcomings. First, the agencies do not consistently use national, regional, and local-level risk assessments that systematically assess the likelihood of a fire occurring and the communities and resources at risk of damage. Second, the agencies lack a method for measuring the effectiveness of different fuel reduction treatments. And third, the agencies do not consider cost-effectiveness when allocating funds, primarily because they do not have data on the effectiveness of different types of treatments. Without developing and using such information, the agencies are unable to ensure that scarce funds are directed to areas where they can best minimize the risk to communities and important natural and cultural resources. As we stated in our testimony, the agencies recognize these shortcomings and have efforts under way intended to help them address them; these efforts, however, are likely to be long-term undertakings and therefore are unlikely to help the agencies improve their processes for allocating fuel reduction funds anytime soon.

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##### RESPONSE OF LEAH MACSWORDS TO QUESTION FROM SENATOR WYDEN

*Question 1.* You discussed some of your concerns regarding a provision that was added to H.R. 1404 that would authorize the Flame Fund to be used for activities such as hazardous fuels reduction. Can you explain in more detail why your coalition is concerned with that provision?

Answer. The amendment adopted on the House floor expands the definition of suppression to include fire risk reduction activities, which can include hazardous fuels reduction. Fire risk reduction activities are performed when there are no fires on the ground. If these activities are allowed by the FLAME Act, the FLAME Fund would be at risk of being spent before the fire season ever begins. The Partner Caucus fears the bill would therefore be diverted from its original goal and would not solve the suppression funding crisis. Additionally, this amendment muddies the

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<sup>1</sup>See GAO, *Wildland Fire Management: Better Information and a Systematic Process Could Improve Agencies’ Approach to Allocating Fuel Reduction Funds and Selecting Projects*, GAO-07-1168 (Washington, D.C.: Sept. 28, 2007).

lines across several agency programs and could create reporting challenges for the agencies.

The Partner Caucus on Fire Suppression Spending Solutions, comprised of more than 110 groups, rallied around easing the impacts of increasing fire suppression costs on all other aspects of the USDA Forest Service and DOI programs. Over the years, all Forest Service programs have been subject to transfers including funds from State and Private Forestry, Capital Improvement and Maintenance, National Forest System, and Wildland Fire Management. This includes the hazardous fuels reduction program and other fire risk reduction and non-fire programs, which are depleted on the front end of the budgeting process as money is diverted to fund the 10-year average for suppression and are subject to transfers of funds later in the fire season as fire suppression costs increase.

The Partner Caucus is focused on addressing the immediate crisis that the ongoing lack of sustainable funding for increasing suppression costs have created for the agencies' and their budgets. Solving this challenge will allow them to meet their land management goals, including hazardous fuels reduction.

Once again, The Partner Caucus on Fire Suppression Funding Solutions would like to thank the Committee for providing us the opportunity to testify in support of S. 561, the Flame Bill.

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RESPONSE OF JAY JENSEN TO QUESTION FROM SENATOR WYDEN

*Question 1.* We discussed at the hearing the ongoing concern that I and many others have had with the Forest Service's use of "acres treated" as a key measure of the performance of its land managers. At its heart, this may be a personnel management issue, but it has far-reaching consequences for taxpayers, businesses, National Forest users, and the health of our forests. I have provided below a small sample of statements on this issue that provides some indication not only of what a significant issue this is, but also of how long it has been an issue and how little progress has been made by the Forest Service's leadership to address it. Will you specifically describe how you plan to address this problem and whether you will follow the recommendation that the agency stop using "acres-treated" targets and evaluations?

"Indeed, as the General Accounting Office determined, most of the agency's so-called measures confuse quantity with quality. For example, the performance measure for the hazardous fuels program is the number of acres treated. This measure encourages the agency's field offices to focus on the easiest and least costly areas to maximize the number of acres treated and, thus, show high performance. However, many of the top priority areas for fuels reduction are in the urban/wildland interface where the cost of treatment is the greatest. This example of a poorly developed performance measure is particularly troubling given the recent fires that have occurred in New Mexico and other parts of the Interior West. Funds for hazardous fuels reduction need to be focused on the highest priority areas where critical issues of human safety and property loss are the most serious. The agency must develop performance measures which show not only what the agency is doing but also whether it is doing it well. The Committee expects to be fully consulted during the development of performance measures that will be part of the agency's budget for the coming year." Senate Committee on Appropriations, *Department of the Interior and Related Agencies Appropriations Bill, 2001*, S. Rept. 106-312 at 62-63 (June 22, 2000).

"To measure progress under the fuels reduction program, the Forest Service and Interior are currently tracking and reporting the total number of acres treated nationwide. This practice, however, measures only the number of acres that receive fuels reduction treatments not necessarily whether progress is being made in reducing the overall risk of wildfire. Recognizing this shortcoming, the Forest Service and Interior are currently developing results-oriented performance measures that assess the effect of these treatments in reducing the risk of wildfires." *Wildland Fire Management: Additional Actions Required to Better Identify and Prioritize Lands Needing Fuels Reduction* at 5 (Aug. 2003; GAO-03-0805).

"The Panel also notes that a paradigm shift in thinking about hazardous fuels reduction effectiveness is required and can be started by ceasing to use acres treated as a results measurement for program accomplishments." *Large Fire Suppression Costs: Strategies for Cost Management*, A Report to the Wildland Fire Leadership Council from the Strategic Issues Panel on Fire Suppression Costs at 26 (August 26, 2004).

“Probably the most glaring disconnect within HFRA is the acres target issue. It’s the hard acres versus easy acres calculations, double counting of acres and not accounting for real value.” *Implementation of the Healthy Forests Restoration Act*, S. Hrg. 109-506 at 45 (July 19, 2006).

“The SAF encourages the adoption of performance measures that go beyond “acres treated” towards more outcome-based measures that focus on the reduced extent or severity of large, stand-replacing wildfires, protection of high-value resources, successful protection of communities at-risk, and appropriate management responses to specific incidents. . . . Measuring performance by acres of fuel reduction treatments has created inappropriate incentives for prioritizing activities to help reduce the occurrence of large stand-replacing wildfires. The SAF is concerned that pressures for managers to meet targets for fuels reduction treatments are likely to be directed to “easy” acres (i.e., lowest costs and most accessible areas) to meet “acres treated” targets and reduce unit costs, rather than ensuring that funding is focused and prioritized on the most at-risk acres, resources, and communities.” *Wildland Fire Management: A Position of the Society of American Foresters* at 2, 6 (June 7, 2008).

Answer. We agree that a performance metric which tracks acres treated may not be the best way to measure outcomes and we welcome working with Congress to better define outcome-based measures of progress. The Forest Service is currently working to address these concerns through a number of tools and initiatives.

The LANDFIRE project, which produces consistent and comprehensive maps and data on landscape conditions affecting wildland fires, will provide a baseline set of data to assess progress towards meeting wildland fire management goals. The completion of the LANDFIRE data set for the conterminous United States, Alaska, and Hawaii is expected this year. An ongoing effort scheduled to be completed in 2010 will update the LANDFIRE data set to circa 2008 and provide data to allow assessment of landscape changes since 2000.

The availability of improved analytical tools and updated social and biophysical information (e.g. LANDFIRE) is allowing the agency to develop a comprehensive strategy to address the wildland fire situation. The comprehensive strategy will provide a broader, more integrated analysis of the factors influencing the wildland fire situation than the existing Cohesive Strategy authored in 2006 by the US Forest Service and the Department of the Interior. The strategy will provide critical information to the agency as it develops and implements the wildland fire management program and develops measures to assess program effectiveness.

The agency is increasing its capability within the Forest Service Activity Tracking System (FACTS) to track the locations and extent of fuels treatments using Geographic Information Systems. This spatial capability will help the Forest Service characterize the arrangement of fuels treatments and provide an opportunity to assess potential effectiveness on a landscape basis. This is another critical step to understand potential effects of treatment activities.

We have developed and are refining a fuels treatments effectiveness reporting program that assesses each interaction of a wildfire with a completed hazardous fuels treatment project. This program evaluates how fuels treatments affect a wildfire that starts in or burns into a fuels treatment. Information gained from this endeavor or give us better information to assess the effectiveness of fuel hazard reduction techniques and allows us to modify future projects.

Agency efforts, such as the Joint Fire Science Research Program, are helping us with the challenge of establishing quantitative hazard and risk metrics for planning and evaluating the potential effectiveness of hazardous fuels reduction treatments. These efforts will build the knowledge base for existing programs and tools as well as assist in development of an outcome-based management system.

#### RESPONSES OF JAY JENSEN TO QUESTIONS FROM SENATOR MURKOWSKI

In your testimony both you and Ms. Suh suggested that S. 561 and the Administration’s budget request for an emergency reserve fund are complementary. We are having some difficulty understanding that statement and would like you to answer the following questions and to provide the data we are requesting.

*Question 1.* It is our understanding that large and expensive “catastrophic” fires can occur at any time of year; is that your experience?

Answer. While fires can be large and expensive any time of the year, the chart below indicates the overwhelming majority of fires and suppression costs are incurred in the final four months of each fiscal year, in June through September. It indicates that 88% of spending and 77% of fires occurred during this timeframe. It

is also important to note that regularly appropriated suppression funds have never been exhausted prior to this timeframe. Using a threshold of fires greater than 300 acres, in the period 2004 thru 2008, Forests have reported on their Individual Fire Reports fires exceeding that threshold through out the year. The following Table summarizes this data by month of the reported fire ignition date.

Statistical Fires >= 300 Total Acres Burned 2004 - 2008				
Start Month	Cost	Avg Cost	# Fires	Avg # Fires
JAN	\$3,827,067	\$765,413	12	2
FEB	\$12,922,853	\$2,584,571	20	4
MAR	\$9,203,693	\$1,840,739	57	11
APR	\$104,798,497	\$20,959,699	49	10
MAY	\$84,230,769	\$16,846,154	58	12
JUN	\$644,419,584	\$128,883,917	226	45
JUL	\$877,579,116	\$175,515,823	316	63
AUG	\$537,027,288	\$107,405,458	272	54
SEP	\$291,160,383	\$58,232,077	78	16
OCT	\$95,644,286	\$19,128,857	29	6
NOV	\$20,509,476	\$4,101,895	27	5
DEC	\$896,800	\$179,360	9	2
<b>Total</b>	<b>\$2,682,219,812</b>	<b>\$107,288,792</b>	<b>1,153</b>	<b>231</b>

*Question 2a.* For each of the last 5 years, please provide a list of the fires that transitioned from small (less than 300 acres) to large catastrophic fires. Include in that data the name of the fire, the agency or state that managed the land that burned, the agency that lead the fire fighting effort, and cost of the fire.

Answer. Refer to the enclosed spreadsheet and please note:

- the agency or state that managed the land that burned is represented by column labeled "Ownership at Origin";
- the agency that led the fire fighting effort is represented by column labeled "Protection Agency";
- Suppression cost is the estimated Fire Suppression Funds in whole dollars expended by the Forest Service. All dollars are nominal, i.e. they have not been adjusted for inflation.
- The fires listed come from the Forest Service Individual Fire Report, FIRESTAT reporting system.

*Question 2b.* If a reserve account is appropriated that requires either an emergency declaration or one that cannot be expended until all other suppression funds have been consumed, please help us understand how a "catastrophic" fire that occurs for example during May would be paid for?

Answer. According to the FLAME Act, if this fire meets the criteria outlined in the Act, and was declared to be an emergency fire by the Secretary; it would be eligible to be funded through the FLAME fund. The agency would need to ensure FLAME fund monies are segregated from other suppression funds. At the time of the Secretary's determination, all funds that had previously been obligated on that fire would need to be identified and deobligated in the agencies financial management system and then be made again available for future obligation. The agency would also have to administratively recode each prior obligation that had been incurred through regular suppression funds to a FLAME fund code. At the field level, each resource deployed on the fire would need to receive a new code that ties to the FLAME fund. If, however, the fire does not meet the criteria outlined in the bill, it would be paid for out of the Fire Operations - Suppression appropriation unless the cumulative suppression costs at that time are projected to exceed the amount appropriated in the non reserve fund. As the table above indicates, there is a five percent likelihood that a large fire will occur in May, and the likelihood of a "catastrophic" fire occurring in May is much rarer than this already low probability. Reflecting the seasonality of fire and the need for accounting during incident response, the President's Contingency Reserve is available when it is most needed and requires no special parallel accounting process and structure.

*Question 3.* Do you agree that under the concept of the FLAME Act that a fire that burns in May before all other appropriated suppression funds have been exhausted could not be paid for from the FLAME reserve account?

Answer. According to the FLAME Act, the fire under the circumstances described could be funded from the FLAME fund, if the fire meets the criteria outlined and receives a declaration by the Secretary. Note that the administrative requirements listed in the previous response would necessarily apply.

*Question 4.* If not, please explain how under the President's proposal such early catastrophic fires could be paid for out of the President's proposed emergency reserve fire suppression account?

Answer. As indicated in the response to the previous question and as the table above indicates, there is a five percent likelihood that a large fire will occur in May, and the likelihood of a "catastrophic" fire occurring in May is much lower than this low level. Access to the Contingency Reserve Fund in the President's budget occurs only after normal suppression appropriations are exhausted and other conditions are met. Thus the few large fires occurring early in the year would be paid for out of the regular suppression account. As the season progressed and if the suppression appropriations were exhausted the Contingency Reserve Fund could be accessed to fund emergency fire suppression operations.

*Question 5.* If 85% of suppression costs can be attributed to 2 or 3 percent of the fires; please explain why the Administration has requested a reserve account equal to only 23% of the suppression expenditure for the resource agencies, while requesting over \$1.2 billion in normal suppression appropriations?

Answer. The Forest Service has used the 10-year average of all suppression expenditures as the basis for predicting the need for the next appropriation cycle for Fire Operations - Suppression funding. The 10-year average for the appropriations of FY 2010 = \$1,128,505. The Wildland Fire Suppression Contingency Reserve for FY 2010 was calculated at 25% of the 10-year average equal to \$282,000.

The written testimony submitted by both departments stated: "We are also aware of S. 561, the FLAME Act, introduced by this Committee, and H.R. 1404, introduced in the House, that aims to accomplish the separation between routine wildland fire management and large, intense fire events. We appreciate the efforts of the sponsors of the FLAME Act to address the current problems related to the way fire-fighting costs are funded. The Administration supports the FLAME Act if amended to provide for a contingency reserve, as outlined in the President's budget. We believe that the Administration's budget proposal can address the problem."

*Question 6.* Are you saying that you will not support the FLAME Act as introduced in the Senate unless the appropriators adopt the President's budget proposal for a small reserve account and a large appropriated suppression account?

Answer. We are saying the FLAME Act should be amended to reflect a contingency reserve for the reasons outlined in the response to Questions 1 and 2. For 2010, \$1,128,505 in suppression funding is requested in the President's budget to fund the predicted wildland fire suppression activities or the 10 year average. It is unclear whether or not the FLAME Act will be authorized in its current form; however the Contingency Reserve fund identified in the President's budget helps address the challenges of budgeting for fire suppression.

*Question 7.* In answering questions at the hearing you indicated that the report on a strategy for dealing with fixed wing fire retardant planes had been completed some time ago and that the Administration would like to review it and release it by the end of the year. Were you referring to the calendar year or the fiscal year?

Answer. The calendar year. For details, see answer to Question 8.

*Question 8.* Given that OMB and the Department have had the draft plan for at least four years can you tell us why it would take until December to make any modifications that you believe need to be made and then transmit the report to the relevant committees?

Answer. The Forest Service, in cooperation with our interagency partners, has completed an extensive Interagency Aviation Strategy to help define the need for replacement of these critical firefighting assets. The Department is currently using that document to frame a strategic discussion about the future of aviation resources. This issue is complex in scope and will require a substantial investment of federal resources. Careful coordination and planning with our partners in the interagency wildfire community will enhance the safety, efficiency and effectiveness of our future aviation fleet. The Forest Service and the Department anticipate working towards completing that discussion and review by the end of June 2010, which will be in accordance with our commitments made in response to the recent OIG audit "Forest Service's Replacement Plan for Firefighting Aerial Resources."

*Question 9.* Both you and Ms. Suh indicated that cost containment of fire fighting is critical to an overall strategy of dealing with the escalating costs of fire.

Please provide the Committee with a specific list of cost containment provisions that could be added to the FLAME Act (S. 561) that the Administration can support?

Answer. The Forest Service has been implementing risk management protocols to help us address incident management strategies. We would be happy to discuss these efforts and the establishment of a Contingency Reserve as requested by the President with the Committee.

*Question 10.* Over the years, most of the fire borrowing that has occurred has been undertaken by the Forest Service. Fire borrowing is rarely needed at the Department of Interior because the BLM and other agencies are allowed to tap into other department funds when needed. In the case of the Forest Service fire borrowing was not a problem until the late 1990's when the K-V and BD trust funds were no longer sufficient to cover the needed borrowing.

Given the differing rules at the Department of the Interior and the Department of Agriculture please tell us why transferring the Forest Service to the Department of the Interior wouldn't solve the fire borrowing problem faced by the Forest Service?

Answer. Moving the Forest Service to the Department of the Interior raises cost and workload management opportunities and issues. The General Accountability office (GAO) reported in February of this year, if the Forest Service were moved into Interior, USDA and Interior would need to consider a number of cultural, organizational, and legal factors and related transition costs. The GAO report also indicated that a move would provide little efficiency in the short term and require resolution of complex legal issues, although long-term efficiencies may be gained.

Combining the fire-related functions of the Forest Service and Interior agencies would not have a material effect on either the effectiveness or the cost of firefighting because the agencies already operate in a unified manner. Fire management operations and firefighting resources and crews are integrated. There are strengths in our current approach; on the fire line DOI and USDA employees work interchangeably. Another example is the National Interagency Fire Center in Boise, there representatives of the five Federal agencies collaborate with State and local representatives on key strategies and decisions.

*Question 11.* You indicated that the Forest Service is going to take a much more aggressive stance on the treatment of hazardous fuels.

Could you provide the committee with the specific steps you will be directing to accomplish what you have committed to?

Answer. We have incorporated updated information in the Hazardous Fuels Prioritization and Allocation System. This system allows us to prioritize and allocate funding to implement treatments in the wildland urban interface and in areas with high wildland fire potential. We have adjusted our national performance expectations to give our regions the ability to implement the complex and expensive projects that are required to mitigate fuel hazards in the wildland urban interface. We continue to develop methodologies to enable field units to locate and implement hazardous fuel mitigation projects that effectively change potential fire behavior within priority landscapes. We are increasing national monitoring efforts of field programs to ensure project level treatments are conducted in high priority landscapes.

The availability of improved analytical tools and updated social and biophysical information (e.g. LANDFIRE) is allowing the agency to develop a comprehensive strategy to address the wildland fire situation. The comprehensive strategy will provide a broader, more integrated analysis of the factors influencing the wildland fire situation than the existing Cohesive Strategy authored in 2006 by the US Forest Service and the Department of Interior. The strategy will provide critical information to the agency as it develops and implements the wildland fire management program.

*Question 12.* Senator Wyden suggested that there has been double counting in the reporting of forest health treatments and he further suggested that low priority acres that don't need treatment get treated again and again. You did not reject the Senator's accusation or rebut them.

Do you admit to double or triple counting of prescribed burns?

Answer. Acres that are treated by prescribed burning are counted only once for hazardous fuels reduction. In some cases, fuels treatments accomplish multiple objectives (such as wildlife habitat improvement and reduction of hazardous fuels). However, even in those cases, the fuels reduction from those treatments is counted only once.

In some cases, more than one type of treatment must be implemented before wild-fire potential is reduced to an acceptable level. For example a mechanical fuel treatment (e.g. thinning) might be conducted to create conditions which allow a prescribed burn to be implemented safely and effectively. We record accomplishments for each project activity that brings us closer to the final objective of mitigating wildfire hazard. It is important to track all of the treatments that we complete so that we have an objective account of how resources were used.

*Question 13.* Do you agree that low priority acres are treated while higher priority acres do not get treated?

Answer. No. The agency strives to treat the highest priority acres that benefit not only the hazardous fuels program, but other agency programs, as well. Our best opportunity to protect communities and valuable resources from the damaging effects of fire is to foster restoration of fire-adapted landscapes, reduce hazardous fuels through active management, aligning agency programs, including wildlife and watershed protection, and leveraging resources to use the fullest capability of the agency and its partners. By aligning all objectives of the agency and its partners, we can achieve multiple benefits such as hazardous fuels reduction, landscape restoration, and community protection objectives, as well.

The Hazardous Fuels Prioritization Allocation System (HFPAS) helps us allocate regional funding to implement programs that treat high priority acres benefiting the hazardous fuels program and also accomplish integrated resource objectives. HFPAS places priority on the wildland urban interface, wildfire potential, protection of various resources (such as commercial timber and municipal water sources), potential use of residual biomass, and opportunities to coordinate treatments with our land management partners. Selection of fuel hazard mitigation projects at the field level is affected by resource and collaboration efforts at the local level but is expected to remain consistent with national priorities.

*Question 14.* What steps will you undertake end the double and triple counting and to ensure that the highest priority acres are treated first?

Answer. The agency tracks multiple entries for hazardous fuels treatments and reports on the acreage accomplishments each time an area is treated because each of those multiple entries move landscapes toward a desired condition. Regional allocations and targets are based on the Hazardous Fuels Prioritization and Allocation System (HFPAS). This system allows us to prioritize and allocate funding to implement treatments in the wildland urban interface and in areas with high wildland fire potential. We have adjusted our national performance expectations to give our regions the ability to implement the complex and expensive projects that are required to mitigate fuel hazards in the wildland urban interface. We continue to develop methodologies to enable field units to locate and implement hazardous fuel mitigation projects that effectively change potential fire behavior within priority landscapes. We are increasing national monitoring efforts of field programs to ensure project level treatments are conducted in high priority landscapes.

#### RESPONSES OF JAY JENSEN TO QUESTIONS FROM SENATOR BARRASSO

*Question 1.* During the Senate Energy and Natural Resources Committee hearing on Tuesday, July 21, 2009, you and I discussed the U.S. Forest Service allocation of funds from the American Recovery and Reinvestment Act. I asked how the agency intends to make up for refusing to fund a single project through the U.S. Forest Service in Wyoming. You indicated that the agency would make an effort to address forest health problems in Wyoming. Yet, you failed to mention that the U.S. Department of Agriculture was preparing to release additional ARRA funds that very day, none of which will be allocated to Wyoming.

a. Were you unaware that the Department was preparing the release of ARRA funds at the very moment that you and I were discussing the issue? Please explain how this breach of the duties of your office came to pass.

Answer. ARRA projects have been grouped based on the kind of work being accomplished and funding is being released for each category of work. In addition to the announcement on July 22, 2009, that \$180,000 in funds was sent to Wyoming for restoration of an historic facility in Cody; we provided an additional \$6.375 million to the State. Specifically, \$950,000 in capital improvement and maintenance funds have been approved for facilities projects. In addition, \$5.425 million in wildland fire management funds have been approved for hazardous fuels reduction projects - \$3.525 million for work on Federal land, and \$1.9 million for work on State and private lands.

*Question 2.* After conclusion of the Senate Energy and Natural Resources Committee hearing on fire preparedness, and following the U.S. Department of Agriculture's release of \$274 million in ARRA funds, none of which will be spent in Wyoming, the Department also released information increasing the index of fire danger on national forests in Wyoming.

a. Were you unaware that national forests you hold oversight duty for and upon which you were commenting on that very day were suffering increased fire danger?

Answer. ARRA funding, as delivered by Congress, has a primary focus on areas of economic distress, as measured by unemployment indicators. Taking into account Wyoming's long-term unemployment, wildfire, and Forest health risks resulted in \$5.425 million being allocated to the State to address hazardous fuels reduction and ecosystem restoration.

In addition to ARRA funds, annual program funds are allocated to address high priority wildland fire situations. These funds allow us, in coordination with our partners, to prepare for wildfire incidents and to reduce hazardous fuels on federal, state and private lands. For fiscal year (FY) 2009, the Rocky Mountain Region, including Wyoming, received \$28 million for fire preparedness and \$21 million for hazardous fuels reduction on federal lands. Nearly \$5 million was also provided to the region for fire assistance grants on state and private lands. An additional \$18 million of FY 2008 supplemental funding was provided to the region in 2009 for fuels reduction activities (\$5 million on federal lands and \$13 million on state and private lands).

*Question 3.* Is the U.S. Department of Agriculture aware of the unprecedented forest health event occurring in Wyoming due to bark beetle infestation?

Answer. Yes. The bark beetle outbreak that is occurring throughout the western states affected nearly 8 million acres in 2008. In Wyoming, more than 1.1 million acres of pine forests were impacted by the mountain pine beetle. Older, dense and homogeneous stands, combined with recent droughts and warmer temperatures, have favored bark beetle population increases. The extent of infestations precludes widespread treatments. The Forest Service and state partners are focusing on treatments in high priority areas such as recreational areas, water sources and ecologically significant areas. Forest Service has funded management actions to reduce forest susceptibility to beetle outbreaks (such as reducing stand density and managing for greater diversity of age-class, size and species), protect high value trees (by application of registered pesticides, attractants or anti-attractants), and promote safety along roads and power line rights-of-way. The Bark Beetle Incident Management Team, established in the Forest Service's Rocky Mountain Region, coordinates activities to reduce hazardous fuels, capture the commercial value of trees to the maximum extent possible (i.e., timber sales and stewardship contracts), spraying trees in campgrounds, and removal of hazardous trees in developed recreation areas, along roads and trails.

*Question 4.* Is the U.S. Department of Agriculture aware of the increased danger of catastrophic fire, erosion and other ecological threats due unchecked to bark beetle infestation?

Answer. Yes, see response to question 3.

*Question 5.* Given that the U.S. Department of Agriculture has not dedicated any ARRA funds, is it the position of the U.S. Department of Agriculture that the fire threat in federal forests in Wyoming is not a priority for the Administration?

Answer. See answer to question 2a.

*Question 6.* Please provide details of where and when the people of Wyoming will see on-the-ground results of additional resources dedicated by the U.S. Department of Agriculture to combat forest health threats?

a. What additional resources will be provided?

Answer. ARRA funding is being allocated to Forest Service field offices and partners, including State Foresters, within days of being released. Field office personnel and partners then prepare the necessary contracts, grants and agreements to get the work started. Based on the funding allocations discussed in questions 1 and 2a, Wyoming residents should see related work starting within the next few months and continuing for one to two years into the future. ARRA funds represent only a portion of the Forest Service budget. Through the Forest Service's other programs, much more work is being conducted to combat forest health threats and wildfire. Our Rocky Mountain Region is working closely with Wyoming State Forester Bill Crapser to address forest health issues in the State. We will continue to work in partnership to aggressively manage these concerns.

[Responses to the following questions were not received at the time the hearing went to press:]

#### QUESTIONS FOR RHEA SUH FROM SENATOR MURKOWSKI

*Question 1.* At the hearing you invited the Senators and their staff to attend a session to examine the development of budgets to address the forest health crisis in Colorado.

Would you please provide me logistical details on the time and place for that exercise so I can ensure my staff has the opportunity to observe those meetings? And thank you for your kind offer.

*Question 2.* In your testimony both you and Mr. Jensen suggested that S. 561 and the Administration's budget request for an emergency reserve fund are complimen-

tary. We are having some difficulty understanding that statement and would like you to answer the following questions and to provide the data we are requesting.

It is our understanding that large and expensive "catastrophic" fires can occur at any time of year; is that your experience?

*Question 3.* For each of the last 5 years, please provide a list of the fires that transitioned from small (less than 300 acres) to large catastrophic fires. Include in that data the name of the fire, the agency or state that managed the land that burned, the agency that lead the fire fighting effort, and cost of the fire.

If a reserve account is appropriated that requires either an emergency declaration or one that cannot be expended until all other suppression funds have been consumed, please help us understand how a "catastrophic" fire that occurs for example during May would be paid for?

*Question 4.* Do you agree that under the concept of the FLAME Act that a fire that burns in May before all other appropriated suppression funds have been exhausted could not be paid for from the FLAME reserve account?

*Question 5.* If not, please explain how under the President's proposal such early catastrophic fires could be paid for out of the President's proposed emergency reserve fire suppression account?

*Question 6.* If 85% of suppression costs can be attributed to 2 or 3 percent of the fires; please explain why the Administration has requested a reserve account equal to only 23% of the suppression expenditure for the resource agencies, while requesting over \$1.2 billion in normal suppression appropriations?

*Question 7.* The written testimony submitted by both departments stated: "We are also aware of S.561, the FLAME Act, introduced by this Committee, and H.R. 1404, introduced in the House, that aims to accomplish the separation between routine wildland fire management and large, catastrophic fire events. We appreciate the efforts of the sponsors of the FLAME Act to address the current problems related to the way firefighting costs are funded. The Administration supports the FLAME Act if amended to provide for a contingency reserve, as outlined in the President's budget. We believe that the Administration's budget proposal can address the problem."

Are you saying that you will not support the FLAME Act as introduced in the Senate unless the appropriators adopt the President's budget proposal for a small reserve account and a large appropriated suppression account?

*Question 8.* Both you and Mr. Jensen indicated that cost containment of fire fighting is critical to an overall strategy of dealing with the escalating costs of fire.

Please provide the Committee with a specific list of cost containment provisions that could be added to the FLAME Act (S. 561) that the Administration can support?

*Question 9.* Over the years, most of the fire borrowing that has occurred has been undertaken by the Forest Service. Fire borrowing is rarely needed at the Department of Interior because the BLM and other agencies are allowed to tap into other department funds when needed. In the case of the Forest Service fire borrowing was not a problem until the late 1990's when the K-V and BD trust funds were no longer sufficient to cover the needed borrowing.

Given the differing rules at the Department of the Interior and the Department of Agriculture please tell us why transferring the Forest Service to the Department of the Interior wouldn't solve the fire borrowing problem faced by the Forest Service?



## APPENDIX II

### Additional Material Submitted for the Record

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Hon. JEFF BINGAMAN,  
*Chair, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: This letter expresses our support for S. 561—the Federal Land Assistance, Management and Enhancement Act (FLAME Act).

The existing system for financing wildland fire suppression on the public lands simply does not work. It has resulted in intolerable reductions in the capacity of the U.S. Forest Service to carryout its important missions in the management of the National Forest System, Research, and State and Private Forestry. It is essential that funding for the rising cost of wildland fire suppression be separated from the regular budget of the agency.

Fortunately, you and the other sponsors of the FLAME Act have recognized the problem. We believe this legislation, coupled with the funding outlined in the President's 2010 budget will stop the decline. This will permit the process of rebuilding the capacity of the Forest Service to provide proper stewardship for our Nation's forests and grasslands to begin.

A key element in the implementation of the FLAME Act is the declaration that a wildland fire is eligible for funding from the FLAME Fund. It is essential that responsibility for this determination be delegated to line officers on-the-ground. Only they are in a position to observe fire behavior (intensity, rate of spread, predictability), evaluate fuels (type, loading, and moisture content) and predict likely outcomes. They are also in the best position to recognize and evaluate the threat to lives, property, and natural resource values.

Mr. Chairman, we appreciate the effort that you and the other sponsors of this legislation have devoted to this issue. It is important that this funding issue be resolved this year. We urge enactment of the FLAME Act.

Sincerely,

R. MAX PETERSON,  
*Chief, Forest Service, 1979–1987.*

F. DALE ROBERTSON,  
*Chief, Forest Service, 1987–1993.*

JACK WARD THOMAS,  
*Chief, Forest Service, 1993–1996.*

MICHAEL P. DOMBECK,  
*Chief, Forest Service, 1997–2001.*

DALE N. BOSWORTH,  
*Chief, Forest Service, 2001–2007.*

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INTERNATIONAL CODE COUNCIL,  
GOVERNMENT RELATIONS,  
*Washington, DC, July 21, 2009.*

Hon. JEFF BINGAMAN,  
*Chairman, Senate Energy and Natural Resources Committee, Washington, DC.*

Hon. LISA MURKOWSKI,  
*Ranking Member, Senate Energy and Natural Resources Committee, Washington, DC.*

DEAR SENATORS BINGAMAN AND MURKOWSKI: Thank you for convening the hearing today on wildland fire issues, to call attention to this critically important issue.

While the issue of wildland fire should never be set aside, the timing is near perfect to again remind and ignite public and political interest in the matter. Billions

of dollars are being spent annually to protect the lives and infrastructure of the more than 100 million people, in 65,000 communities, living in wildfire prone areas (the wildland/urban interface, or WUI).

The International Code Council (Code Council) is the proactive leader in promoting WUI fire community planning as well as wildfire/urban interface code adoption. The Code Council has a solid working relationship with over 50 national organizations that support working together on this important issue. We publish the only code that deals directly with this issue, the 2009 International Wildland-Urban Interface Code (IWUIC).

In an effort to evaluate the effectiveness of current WUI efforts, the Code Council took the lead in establishing the National Blue Ribbon Panel on Wildland/Urban Interface to evaluate current fire prevention programs and education. The Panel found that very few homeowners and communities are equipped with appropriate knowledge or plans to handle a wildland fire crisis. Current efforts by government agencies, states and local jurisdictions, while beneficial, have not shown substantial reductions in the numbers of fires, homes destroyed or costs incurred.

The Code Council promotes the adoption and enforcement of building and fire safety codes that will better equip WUI homeowners during a fire event. Currently, less than 10% of WUI communities have any kind of fire code. The Code Council wishes to promote code adoption, enforcement and better inter-agency relations between the private sector, local, state and federal agencies.

The Code Council is available to the Committee and its staff at any time to provide information and resources to help deal with this issue. If the Committee staff would like complimentary copies of the 2009 International Wildland-Urban Interface Code, please contact me.

Best Regards,

SARA C. YERKES,  
*Senior Vice President.*

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STATEMENT OF CASEY JUDD, BUSINESS MANAGER, ON BEHALF OF THE NATIONWIDE MEMBERSHIP OF THE FEDERAL WILDLAND FIRE SERVICE ASSOCIATION, INKOM, ID

#### INTRODUCTION

Mr. Chairman, Ms. Murkowski, members of the Committee and interested parties, we are proud and honored to offer this written testimony on behalf of our Nation's federal wildland firefighters employed by all five federal land management agencies. Further, we look forward to a renewed interest in wildland firefighter issues with the change in Administration, the selections of Secretary Vilsack and Secretary Salazar along with Deputy Undersecretary for Natural Resources and Environment, USDA, Mr. Jay Jensen.

Since 2006, the FWFSA has been afforded the honor and opportunity to provide both written and oral testimony before this committee and others from the perspective of the true experts in wildland firefighting, the firefighters. Our organization boasts a diverse membership inclusive of those occupying all fire positions in all five land management agencies from entry-level firefighter to Fire Management Officer (FMO) and all others in between. This diversity has afforded us the opportunity to educate Congress on the realities "in the field" of the land management agency fire programs. Not only have we previously identified issues facing our firefighters, we have also offered workable solutions to effect positive change and make the fire programs not only stronger but more efficient and cost effective for the American taxpayer.

#### WILDLAND FIRE MANAGEMENT

Noting the new Administration and leadership at the Department of Interior and Department of Agriculture, the testimony provided jointly by DOI & the USDA reads eerily similar to testimony provided by previous Administration officials over many years.

A reference to similar levels of resources as in 2008 should be cause for concern. Although 2009 has in fact been relatively mild so far, 2008 saw a staggering 1000+ fire starts over just a few days in Northern California alone. Despite "strategic centralized management" and the use of a variety of scientific models, many orders for federal wildland firefighting resources went unfilled. We have previously testified to the lack of resources in preparation of the fire season and have provided members of this committee with previous years' (inclusive of 2008) "unable to fill lists" (UTFs) from Geographic Coordination Centers (GACC). During the initial years of the National Fire Plan and the "build up" to the Most Efficient Level (MEL) of resources,

even heavy fire years saw UTF lists only a few lines long. In recent years, inclusive of 2008, the lists were pages and pages long indicating a clear lack of resources needed to meet the wildfire challenge.

This has not changed for 2009. In fact federal wildland firefighters continue to leave the federal system for other fire agencies for greater pay & benefits. The loss of these firefighters and the Agency(s) failure to address them were brought to the attention of Senator Feinstein and others in early 2006 and again in person in December of 2007 by the FWFS, referring to the Forest Service fire program in California as “imploding.” As a result of the data and information provided to Congress by the FWFS, Senator Feinstein and others not only demanded that the Forest Service address the firefighter retention issue, Congress also appropriated \$25 million for retention programs.

#### CLIMATE AND WILDLAND URBAN INTERFACE

Historically, Congress has relied on “experts” to explain the skyrocketing costs of wildfire suppression. Oddly enough, more often than not, these experts have not included those that actually perform the job of wildland firefighting. Experts providing insight have included many with PHDs, members of “Think Tanks” etc., who, by and large, suggest that climate and WUI are the main causes of wildfire suppression cost increases.

With all due respect to these experts, firefighters disagree on the catalysts for increased suppression costs. While we agree that climate and WUI are factors, we believe that it is fire program policy and management that is the primary cause of needless suppression costs and the oft sought after Emergency Supplemental Appropriation. These fire program policies and the management thereof have caused suppression costs to spiral out of control to the point that the 10-year average for wildfire suppression used in the budget formulation has been artificially inflated and rendered useless as a tool for proper budgeting. We are unclear as to whether the reference to “management framework” in the testimony of the DOI and USDA as it relates to factors leading to rising costs is similar to what we are referencing.

#### PROGRAM POLICY & MANAGEMENT

The Forest Service is the largest employer of federal wildland firefighters. As such we will utilize its fire program policies and management as a basis for our explanation for rising costs.

The Forest Service is in the midst of an identity crisis. The agency has now had 3 different Chiefs in the last three years. As a land management agency, the leadership instinctually holds close to its land management agency role. As a result, despite being well into the 21st century and employing the largest fire department in the world, the Agency leadership has held fast to archaic pay and personnel policies with respect to its firefighters and continues to try and manage the fire program as it did 30-40 years ago despite the increasing complexities.

It is clear that the Western United States is home to the longest wildfire seasons (yearlong), the most ferocious, dangerous and deadly wildfires in history. As a result, Forest Service firefighters in these western states, especially California, have, with little help historically from the Agency leadership in Washington, done what was necessary of any fire organization, progress. This progress has been absolutely critical for dealing with today’s wildfires and multi-agency cooperation yet has been repeatedly criticized by Agency leadership. Rather than recognizing it for what it is, progress, Forest Service leadership has considered such actions an effort by FIRE to break away from the land management agency. As a result, most Forest Service firefighters see policy changes in the fire program as a way for the leadership to “rein in” firefighters.

#### CONSEQUENCES

The management of the Forest Service fire program has created a vicious cycle resulting in the wasting of hundreds of millions of tax dollars on suppression costs, namely expensive, un-necessary non-federal resources.

First and foremost, fire program policies and the management thereof, inclusive of the control of the fire preparedness, suppression and hazardous fuels budgets, is the domain of Agency “Line Officers” most of whom have little to no wildfire experience or expertise. In today’s day and age with the complexities of wildfires, it is unconscionable for those with such limited experience or expertise to be managing such a significant program and making policies for firefighters.

Such a situation would be tantamount to any major metropolitan city in the nation having its City fire department managed by the City’s Parks & Recreation Department. It simply makes no sense.

The consequences of these Line Officers having control over fire budgets is that many of the dollars appropriated by Congress for fire preparedness, fire suppression and hazardous fuels reduction do not end up being utilized for the purposes intended by Congress.

The irony is that the same voices who complain about budget transfers to pay for FIRE, are the same voices who skim significant dollars off the top of these budgets to pay for many non-fire projects.

#### THE EFFECTS ON THE FIRE SEASON & COSTS

Several significant issues have come to a confluence since 2006. Many firefighters have left the agency for better pay and benefits or retired early, exit interviews indicating they are fed up with the management of the fire program by those with little fire experience.

In turn, the Agency has done nothing to address the archaic pay & personnel policies that have encumbered these firefighters for over two decades. More importantly, even after the FWFSAs and the National Federation of Federal Employees (NFFE) have brought these issues to the forefront, the Agency has done little to stem the tide of losses of firefighters. Thus for the past few years, at the beginning of the season there are fewer federal fire fighting resources available with no effort on the part of the Agency to rectify the situation.

Add to that the use of FIRE funds for non-fire projects by Line Officers. The use of fire preparedness funds obviously reduces the federal wildland fire fighting resources in the field as envisioned by the National Fire Plan. The use of hazardous fuels dollars means less acres treated . . . a well documented issue with this and other committees.

Consequently as the fire season progresses, the federal resources that should be available are not. The only alternative is the costly alternative . . . over-reliance on significantly more expensive non-federal resources. As a result of these more expensive resources being used, the fire suppression budget is exhausted by the end of summer with typically October & even November being heavy fire months in California.

As a result, the Agency annually comes to Congress with its hand out for a supplemental emergency appropriation in the neighborhood of half a billion dollars, suggesting to Congress that it's been a tough year. Although the costs and consequences of non-federal fire resources has been addressed by the FWFSAs for several years, our position has recently been validated in the FISCAL YEAR 2008 LARGE-COST FIRE INDEPENDENT REVIEW chartered by the U.S. Secretary of Agriculture and issued this month (July 2009).

Losses of federal wildland firefighters on their own volition and diversion of fire funding by non-fire Line Officers has led to this over-reliance on non-federal resources. The FWFSAs have been asked by several in Congress why the Agency(s) would do business this way. Our response is simple; little to no congressional oversight. With no oversight, there is little incentive for either the federal agencies or non-federal fire agencies to be cost-effective. In fact, not only does the federal government pick up the vast majority of costs associated with these wildfires, the Fire Management Assistance Grant Program (FMAGs) administered through FEMA provides non-federal fire agencies with a disincentive to be cost effective. The lack of incentives to be cost effective is also outlined in the aforementioned Large-Cost fire report.

It has only been recently, within the past 3 years, that some in Congress have started to ask tougher questions about the fiscal management of the fire programs. Despite these tougher questions, firefighters see little change in Business as Usual. When agencies come before Congress in the Fall for an Emergency Supplemental Appropriation, few questions are asked.

For several years the FWFSAs has sought to engage the leadership of the Forest Service in an effort to work with the agency to make its fire program stronger yet more efficient and cost-effective. We have not only identified the issues, we have also offered simply solutions to many complex problems.

We are hopeful that with Secretary Vilsack's selection of Tom Tidwell to replace Chief Kimbell, the FWFSAs and its firefighters will no longer be summarily ignored by the agency leadership.

#### SOLUTIONS

The Agency must acknowledge it has the biggest and best fire organization in the world and recognize that it needs to be progressive and prepared for the wildfires of the future. In order to do this they must address long-standing fundamental

issues of pay, benefits and working conditions for its firefighters in order to retain those firefighters that the American taxpayer has a substantial investment in.

Further, FIRE funding should be used specifically for its intended purpose. The 10-year average should be abolished for budgetary purposes. Instead, changes to the organizational structure of the FIRE program must be made. The Agency Fire & Aviation Management Director (FAM) along with his/her Regional FAM and Forest FIRE Planners and FMOs should be tasked with not only making FIRE policy but allocating the FIRE budgets. We are convinced that unless FIRE personnel are in charge of developing and implementing FIRE policy and administering FIRE funding, we all will continue to see skyrocketing suppression costs.

Non-federal fire suppression costs should be cut over a 3 year pilot period: 10% the first year; 25% the second year and 35% the third year.

The idea is that as we retain federal wildland firefighters through the reform of pay & personnel policies, we make the federal response to wildfires stronger. Further, having well qualified FIRE personnel making FIRE policy and administering the FIRE budgets will no doubt lead to better fiscal management. Additionally, ensuring fire preparedness funding is used specifically for that purpose, the proper number of federal resources (proper spending and firefighter retention) as envisioned by the National Fire Plan will be in place to keep fires small. Having the proper number of less-expensive federal resources in place will allow the agencies to reduce their over reliance (we are not advocating the wholesale elimination of non-federal resources from the wildfire landscape) on higher-priced resources thus saving the American taxpayer significant sums in suppression spending. That in turn will reduce the need for an annual Emergency Supplemental Appropriation and save even more money.

Such changes and reforms will no doubt be met with resistance by some in the Agency. However we remain convinced that Congress has an obligation to the American taxpayer to ensure its federal agencies and the management of huge sums of money are done in the most effective and efficient manner. The status quo will only continue to allow for higher suppression costs, more excuses and more promises that the Agency is adopting cost-cutting measures which never fully materialize.

We remain hopeful that Congress and the new leadership at DOI, USDA and the Forest Service will provide the honor and opportunity for their Nation's federal wildland firefighters to be an integral part of progressive change not only for firefighters but for those they risk their lives for so often.

Submitted in Memory of Thomas Marovich-Wildland Firefighter lost on July 21, 2009.