

How States Can Manage the Growing Price of Wildfires

Key findings, recommendations from new report

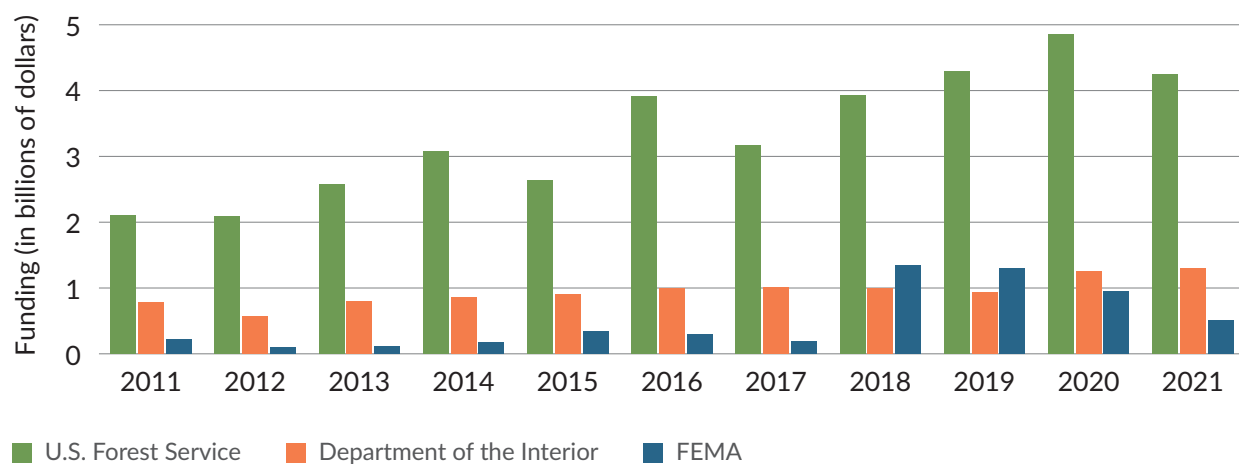
Overview

Wildfires in the United States have been getting bigger and more frequent for decades, with a startling shift in recent years: In the period from 2017 to 2021, the average annual acreage burned was 68% larger than the annual average from 1983 to 2016.¹ As fires have grown, so has public spending on wildfire management: Combined funding from the U.S. Department of the Interior and the U.S. Forest Service, two of the federal agencies most involved in wildfires, nearly doubled from fiscal year 2011 to 2020 (See Figure 1).²

Determining who is responsible—and who will foot the bill—for wildfire management activities is complicated. States, localities, and the federal government, as well as nongovernmental entities, are all involved in preparing for, fighting, and recovering from fires, as well as reducing the risk of future ones.

Federal Spending on Wildfire Management Has Grown Significantly Since Fiscal Year 2011

Funding over time for wildfire management activities by the U.S. Forest Service, U.S. Department of the Interior, and Federal Emergency Management Agency (FEMA)



Notes: Includes appropriations for total wildfire management funding from the DOI and USFS as calculated by the Congressional Research Service. FEMA figures reflect obligations for Fire Management Assistance Grants and Major Disaster Declarations.

Sources: K. Hoover, "Federal Wildfire Management: Ten-Year Funding Trends and Issues (FY2011-FY2020)" (2020) and "Forest Service: FY2022 Appropriations" (2021); Federal Emergency Management Agency, "OpenFEMA Dataset: FEMA Web Disaster Summaries - V1" and "OpenFEMA Dataset: Disaster Declarations Summaries - V2" (Oct 11, 2022)

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The Pew Charitable Trusts undertook a study to improve the available data and understanding of the impact of wildfire spending on state fiscal policy. The findings, along with recommendations for policymakers, are available in the report, “Wildfires: Burning Through State Budgets.”

Pew’s research shows that in recent years, states’ estimates of wildfire costs have often proved insufficient, forcing them to cover spending using after-the-fact budgeting tools that can obscure the true cost of wildfires. In addition, although investment in cost-saving mitigation activities is growing, potential resources are still routinely diverted to fire suppression, thereby limiting the potential benefits of mitigation to communities, the environment, and state budgets. Based on the study’s findings, Pew developed three recommendations:

- **Evaluate current budgeting practices to account for growing risk.** By comparing actual spending versus expected spending, assessing the threat of future fires, and implementing other tools, state leaders can more accurately understand how much to budget for wildfire management.
- **Maximize investments in evidence-based mitigation activities.** Lawmakers should ensure that the immediate need for suppression funding does not directly compete with mitigation investments, which can help manage wildfire costs in the long term. Additionally, lawmakers can help reduce barriers states face when accessing and implementing federal mitigation funds.
- **Explore opportunities to better track and share data on wildfire spending.** Wildfire spending data should be made more accessible, transparent, and comprehensive across all levels of government. Better data could help improve intergovernmental coordination and provide policymakers with evidence they can use to more strategically allocate resources.

As a critical piece of the complex intergovernmental system of wildfire management, states have an opportunity to lead in efforts to improve budgeting practices, manage costs through investment in mitigation, and increase the availability of spending data.

Endnotes

- 1 Pew calculation of data from the National Interagency Fire Center, Total Wildland Fires and Acres, 1983-2021, accessed March 29, 2022, <https://www.nifc.gov/fire-information/statistics/wildfires>. Additionally, the five-year average of acreage burned (2017-2021) was 54% higher than the annual average acreage burned since 1983.
- 2 Among the reasons for this shift are environmental changes, such as recent droughts, development in the wildland urban interface (WUI), and accumulation of forest debris, which can accelerate the size and scale of fires when they occur. See: K. Hoover, “Federal Wildfire Management: Ten-Year Funding Trends and Issues (FY2011-FY2020)” (Congressional Research Service, 2020), <https://crsreports.congress.gov/product/pdf/R/R46583>; and Congressional Budget Office, “Wildfires” (2022), <https://www.cbo.gov/publication/58212>.

For the full report, please visit:
pewtrusts.org/budgetingforwildfires

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