

Fire Funding Legislation Analysis from Bill Timko October 27, 2017

I put the short and most likely version first. If you need more see the background.

Short Version – Current Thinking

- There is broad and bipartisan support to fix the fire funding and the resulting erosion of agency non-fire budgets.
- The Partner Caucus on Fire Suppression Funding Solutions (Fire Coalition) has over 200 NGOs and Associations (including NAFSR) requesting Congress to fix this situation.
- Both Houses of Congress have bipartisan support.
- The Administration supports a fix and Secretary Perdue has made it a top priority, including personal briefings.
- Key point is to have access to emergency funds.
- In recent years there have been numerous attempts that fell short.

Current thoughts:

- Hope is fire funding fix language will be added to a FY 2018 Appropriation Bill (possibly an Omnibus Bill) towards the end of the year.
- The fire funding fix language will be similar to the Wildfire Disaster Funding Act 2017 (WDFFA 2017) HR2862/S1842 (also Simpson Bill).
 - Wildfire suppression expenditures in excess of 2015 ten-year average qualify for disaster funding through a budget cap adjustment.
 - This could add \$300 million to non-fire programs if total FS funding is held at the FY 2017 appropriation based on the FY 2018 10-year average.
- Fire funding language will in all likelihood include language on forest management.
 - House version expedites active management through numerous provisions including categorical exclusions, ESA consultation. See Resilient Federal Forest Act of 2017 (HR 2936), (Westerman Bill).
 - Senate will not pass Westerman Bill and is working on their version of forest management provisions.
 - Negotiations are likely somewhere between Westerman and no forest management provisions.
 - Senate will accept some forest management provisions to secure a deal on fire funding.
 - No one has guess on where this will fall.

Background

The Partner Caucus on Fire Suppression Funding Solutions (Fire Coalition) has been working on the fire funding fix. The last letter to Congress included approximately

200 signatures. There are additional organizations supporting the effort on their own. There also appears to be bipartisan support on the Hill. OMB included a fix in the request for disaster funding showing support in the Administration and this is a top priority for Secretary Perdue.

Basics:

Congress is considering fire funding solutions that fall into two categories:

1. Disaster cap adjustment – has limits set by the Budget Control Act is calculated based on average funding provided for disaster over ten years minus the highest and lowest.
 - a. This approach would create an adjustment to the cap and is separate from the Disaster Relief Fund (DRF).
2. The Disaster Relief Fund under the Stafford Act is an account funded out of the disaster cap and managed by FEMA.
 - a. The Stafford Act approach would allow access to the DRF for wildfires.

Both approaches are discretionary and agencies would have to budget and appropriators have to allocate funds. Fiscal conservatives are against increased spending and increasing the debt, which both approaches require. There is opposition to using the Disaster Relief Act over fear of depleting FEMA funds for other disasters (Congress just passes a supplemental as they did this year but still opposition).

Criteria used by the Partner Caucus on Fire Suppression Funding Solutions (Fire Coalition):

1. Address the continued erosion of agency budgets resulting from the increased ten-year average;
2. Access the disaster caps; and
3. Significantly reduce the need to transfer from non-suppression accounts and programs.

Budget Cap Adjustment Approaches

Wildfire Disaster Funding Act 2017 (WDFFA 2017) HR2862/S1842

- Wildfire suppression expenditures in excess of 2015 ten-year average qualify for disaster funding through a budget cap adjustment.
- Capped at \$2.689 billion annually.
- Secretary required to request any levels beyond what is appropriated and/or above the cap or revert to transferring funds.

Meets all three Fire Coalition Criteria

WDFFA 2013 & 2015

- Wildfire suppression expenditures in excess of 70 percent of the ten-year average qualify for disaster funding through a budget cap adjustment.
- Capped at \$2.689 billion annually.

- Secretary required to request any levels beyond what is appropriated and/or above the cap or revert to transferring funds.

Meets all three Fire Coalition Criteria

Disaster Aid Request

- Wildfire fix proposed by Administration and included in the disaster aid package for Hurricanes Harvey, Irma and Maria.
- Similar to WDFR and meets the 3 criteria.
- Wildfire funding fix was not included in House language.
- Does allocate \$577 million to battle California blazes and repay FY 2017 fire suppression.

Stafford Act Approaches

Sec. 102 of the National Flood Insurance Bill (reauthorization)

- Wildfires in excess of 70% of the ten-year average qualify to access the Disaster Relief Fund.
- Remaining 30% to be allocated to restoration/resiliency activities.
- Requires Presidential Declaration but written in a way that would allow for a lump sum versus individual fires.
- Capped at \$1.647 billion – total transfer from DRF not to exceed this level.
- Bans transfers

Meets all three Fire Coalition Criteria

Resilient Federal Forest Act of 2017 (HR 2936), (Westerman Bill)

- Comprehensive language addressing environmental analysis, categorical exclusions, stewardship end-results contracting, tribal forestry, forest management and wildfire funding.
- Wildfire expenditures in excess of ten-year average qualify for DRF.
- May requires Presidential declaration for each fire.
- Bans transfer but may still be needed while proclamation is prepared and funds are transferred from DRF.

Does not meet Fire Coalition criterion to stop erosion of agency budgets