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June 22, 2019

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Dear

The National Association of Forest Service Retirees (NAFSR) represents retirees throughout all of America who have thousands of years of combined experience in managing 193 million acres of National Forests and Grasslands for the past 115 years. We want to express our viewpoint regarding the President's Executive Order (EO), entitled "EO on Promoting Management of America's Forests, Rangelands, and other Federal Lands to Improve Conditions and Reduce Wildfire Risk." We strongly support the objectives of the EO and have attached a Position Paper which recommends an aggressive 2021 Budget Initiative to fully execute it. The USDA Forest Service is in a very serious situation and without the necessary resources we do not believe it can meet its responsibilities.

We strongly suggest that to be successful, the capacity of the Forest Service must be increased through program efficiencies, legislative changes, regulation reform, and additional skills. The simple fact is that in order to be successful, budgetary increases must occur. As you will note in the attached proposed 2021 Budget Initiative, we believe, given the time to "ramp up," the Forest Service can successfully execute a program with budgetary increases of as much as \$2 billion. However, we also recognize that in today's budgetary environment, a focused and significantly lower budgetary increase is more likely to be the best expectation. Thus, we make the following recommendations:

We encourage you to support increased funding of \$600 to \$900 million for critical programs that directly affect EO accomplishment, including hazardous fuels reduction, increasing the production of traditional and innovative new forest products, restoring eroded lands/preventing future erosion, reducing the impacts of invasive species, reducing the backlog in critically needed reforestation, and improvement and increased maintenance of road and bridge infrastructure. While there have been limited increases in two of these five programs since FY 2017, the increases need to be even greater. Unfortunately, the President's proposed FY 2020 budget merely maintains a relative "status quo" level of funding, which is insufficient to accomplish the EO objectives. NAFSR makes the following detailed recommendations:

- 1) Hazardous fuels reduction funding should be immediately increased. The Forest Service's capacity in this program already exists to fully function. An increased program of \$600-\$750 million is realistic and could be readily executed. (The FY2019 appropriated level is \$435 million.)
- 2) In addition to the immediate increase for hazardous fuels reduction, a two-year program of increases should occur in the following programs:
  - A) The Forest Products budget line item should be incrementally increased to approximately \$500-\$550 million from the current FY2019 appropriated level of \$368 million.
  - B) The Vegetation and Watershed budget line item should be incrementally increased to approximately \$300-\$326 from the current FY2019 level of \$180 million.
  - C) The Roads budget line item should be incrementally increased to approximately \$325-\$400 million from the current FY2019 level of \$218 million.
  - D) Forest Health Budget line items for federal lands and cooperative lands should be incrementally increased to a level of approximately \$150-\$173 million from the current FY2019 level of \$98 million.

We recognize that advocating for significant budgetary increases in this present very tight funding environment can be controversial. However, as our attached Position Paper states, implementing the President's EO will save lives and property in America, create jobs, and will reduce the ever-increasing costs of wildfire suppression.

NAFSR stands ready to assist further on implementing the President's EO. We greatly appreciate your time.

Sincerely,

*/s/ James L. Caswell*

James L. Caswell, Chair  
National Association of Forest Service Retirees

Enclosure



**Position Paper**  
**National Association of Forest Service Retirees**  
**April 8, 2019**

**Reducing Wildfire Through Active Management – The President’s Executive Order**

*The National Association of Forest Service Retirees (NAFSR) strongly endorses the objectives of the President’s Executive Order (EO) of December 21, 2018, entitled “EO on Promoting Active Management of America’s Forests, Rangelands, and other Federal Lands to Improve Conditions and Reduce Wildfire Risk.” However, NAFSR feels compelled to state that the current level of funding provided to the United States Department of Agriculture, Forest Service, is not enough to accomplish the ambitious and desperately needed objectives of the EO.*

**Key Points** - At present the Forest Service simply does not have the capacity to execute the ambitious program contained in the EO.

- In Fiscal Year (FY) 2018, approximately 60 percent of the agency’s total program was dedicated to wildfire suppression. This compares to 16 percent in 1995. With only minimal exception, the increased costs of wildfire suppression have been funded through reductions in existing agency programs, many of which directly reduce the risk of catastrophic wildfire. While a “legislative fix” has finally been enacted which will end the horrible process of “fire borrowing,” this fix does nothing to assure that there will be increases in programs that will increase the pace of restoration.
- The Forest Service workforce in “non-fire” programs has been significantly downsized in order to increase the fire related workforce. Core elements of the Forest Service workforce need to be restored, even with increased reliance on cooperative work with states, municipalities, and other partners. (NAFSR emphasizes that these partners are also “capacity limited” and need strong cooperative support from the Forest Service to assist in executing the EO.)
- To be certain, NAFSR recognizes that simply increasing the budget is not the only answer. The Forest Service has made outstanding progress in eliminating unnecessary processes. NAFSR continues to actively support efforts to improve efficiency by streamlining agency

administrative and regulatory processes, maximizing the use of categorical exclusions, and prudent application of the Endangered Species Act of 1973. However, a continued focus on efficiencies without budgetary increases will soon result in a “diminishing return” situation in terms of increasing accomplishment. The ambitious objectives of EO can’t be accomplished without incremental increases in funding.

- There are approximately 80 million acres of national forest system lands in need of restoration to healthy condition so they can withstand and mitigate the threat of catastrophic wildfire and provide a sustainable flow of outputs that benefit the economies of local communities, most of which are in rural areas. In 2013 the General Accountability Office estimated that hazardous fuels reduction funding (only one of several restoration related programs) would need to total \$69 billion over 16 years in order to eliminate hazardous fuels impacts. This totals \$4.3 billion annually, in comparison to an annual average appropriation to the Forest Service of approximately \$360 million.
- Just this past February the National Oceanic and Atmospheric Administration released a report on the cost of natural disasters in the United States during 2018. Fourteen such disasters had a cost impact of \$1 billion or more, with all such disasters totaling \$93 billion. The three most costly disasters totaled \$73 billion and included two hurricanes; with a third of these disasters being the wildfires in California. In addition to the tragic loss of 86 lives, the economic impacts to local communities were substantial:
  - Goldman Sachs estimated that the Camp and Woolsey fires in California will shave 0.1 % of GDP in 4th quarter.
  - Moody’s Analytics Inc. estimated the loss of wealth from property damage from the Camp and Woolsey fires are between \$6-8 Billion.
  - In 2017 and 2018 wildfire seasons, at least 24,000 homes were destroyed in California.
  - Fox News reported that insurance claims from the Camp and Woolsey fires exceeded \$9 billion.
- These tragic losses to life, property, and natural resources can be prevented! While scientific experts have not achieved consensus on investments necessary to reduce the threats from hurricanes, scientific and economic studies strongly support the premise that investing in restoring America’s forests will save lives, reduce the costs of wildfire suppression, and improve the overall economies of adjacent communities; again, mostly in rural America.
  - Several economic and research related studies demonstrate that the cost of suppressing wildfire in forests with healthy conditions is significantly less than forests in an unhealthy state. For example, reference **Quantifying the potential impacts of fuel treatments on wildfire suppression costs.** (<https://www.fs.usda.gov/treearch/pubs/43006>)
  - Research further indicates that an aggressive multi-year program focused on developing new markets for biomass primarily resulting from treating hazardous fuels, in addition to traditional forest product sales and removal, would likely

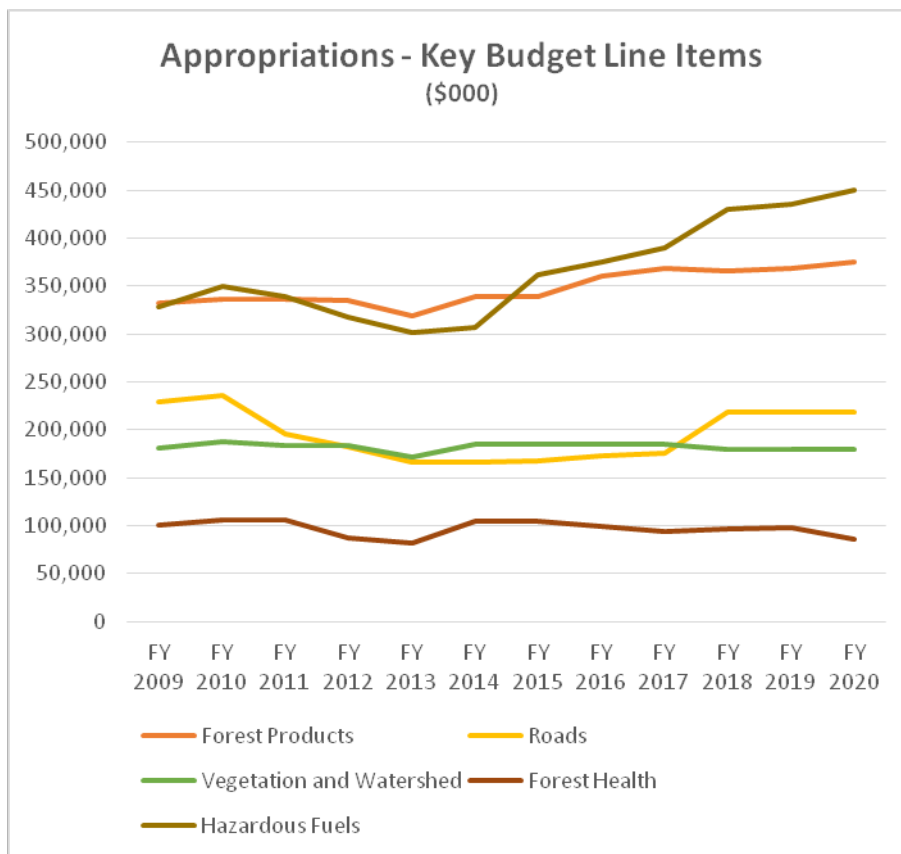
reduce wildfire suppression costs by 23 percent. This is strictly a program-based estimate and does not account for the massive losses associated with lost infrastructure, public health impacts, road and facility infrastructure, as well as natural resources.

- Investing in active management to reduce the risk of wildfire is not just about wildfire; it is also an investment in rural economies by generating forestry related employment, as well as jobs in construction, recreation, and related services. The value of the watershed and the significant damage downstream is in many cases worse than the fire itself, such as the Thomas Fire and loss of life and property in Santa Barbara outside the the National Forest.

**USDA Forest Service Capacity** - Given the time to ramp up, the Forest Service would have the capacity to execute a program that includes an increase in appropriations of \$2 billion over present levels with significant parts of this increased funding supporting work performed by other partners. Key aspects of this budgetary increase include increased funding for critical programs that will achieve the EO objectives, including hazardous fuels reduction, forest products, vegetation and watershed management, forest health, and road management. These are the programs that directly affect reduction in hazardous fuels, increase the production of traditional and innovative new forest products, restore eroded lands/prevent future erosion, reduce the impacts of invasive species, reduce the backlog in critically needed reforestation, and improve and maintain road and bridge infrastructure. Using a \$2 billion increase as a basis, the following is a realistic allocation:

- Hazardous fuels reduction funding could be immediately increased substantially. The Forest Service's capacity in this program already exists to fully function. An increased program of \$600 million could be promptly executed.
- In addition to the immediate increase for hazardous fuels reduction, a three-year ramp-up to the following funding levels could also be effectively executed:
  - A) \$1.2 billion for National Forest Management line items (in several appropriation accounts) that directly support active forest management activities such as production of forest products, road and bridge infrastructure, management of invasive species, erosion control, and reforestation.
  - B) \$150 million for cooperative programs that directly support similar active management on lands supported by the agency's State and Private programs, such as Forest Stewardship, Cooperative Forestry, and Forest Health.
  - C) \$50 million to support development of new biomass technologies that will enhance markets for what is now low-value wood; thus, turning what we consider to be hazardous fuels into forest products with significant value.

As the following chart shows, appropriations for the Forest Service in key active management related budget line items have remained relatively level, while the impacts of catastrophic wildfire have grown substantially. Unfortunately, the President's FY 2020 proposed budget maintains a "status quo" level of funding that simply won't accomplish the EO objectives.



\*Note: FY 2020 represents President's proposed budget. Other years are enacted levels.

If the impacts of catastrophic wildfire are to be reduced through the President's Executive Order, appropriations need to increase significantly.

**Conclusion:** It is important that NAFSR emphasize that increasing the budget does not mean solely relying on the Forest Service organization to execute the EO. Great strides have been made in increasing cooperation with states, municipalities, and other partners. However, these partners also face capacity challenges. Increased agency funding can increase partner capacity also. NAFSR is ready to lend its expertise to assist in developing funding and capacity recommendations that will help achieve the objectives of the EO.