

# Transparency & Accountability in Wildfire Spending

Federal wildfire policy requires comprehensive, holistic reform. New funding to address the wildfire crisis must be paired with reforms to the internal systems that manage federal dollars and the accompanying federal policies that implement activities on-the-ground. There is no one-size-fits all policy solution, but this series of Taxpayer Tools to Tackle Wildfire highlight priorities that can help ensure taxpayer dollars are invested in solutions that protect people and property while also saving money.

## Background

Federal spending data, including the decision-making processes behind that spending, should be clear and comprehensive across all federal agencies. With the recent increase in wildfire funds authorized by Congress and the overall growth in wildfire spending, it's crucial that information on taxpayer expenditures and their impacts be made publicly accessible in an easily understandable format.

The federal wildfire management program includes various agencies and budget items, encompassing the U.S. Forest Service (USFS), Department of the Interior (DOI), Federal Emergency Management Agency, Department of Energy, and Department of Defense (DOD), among others. Although these agencies engage in distinct wildfire-related activities, their work frequently overlaps.

For example, the USFS and DOI manage wildfires on public lands like national forests and parks. Additionally, the federal government aids in fire suppression on non-federal land, including through USFS grant programs (such as State Fire Assistance and Volunteer Fire Assistance) and FEMA programs (Assistance to Firefighter Grants and SAFER Grants). When necessary, the DOD also provides support with aircraft and personnel, having participated in wildfire suppression on over 40 occasions since 1987.<sup>1</sup>

This inter- and intra-agency collaboration extends to other aspects of wildfire management, like risk mitigation and post-fire recovery, including landscape management, resilient infrastructure, and community planning. Given the diverse nature of these efforts that span the entire fire cycle, maintaining a transparent account of taxpayer spending is critical.

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<sup>1</sup> National Interagency Fire Center, August 2021, "Military Personnel Mobilized to Support Wildfire," <https://www.nifc.gov/fire-information/news-releases/military-personnel-mobilized-support-wildfire>

## Challenges to Wildfire Spending Tracking

Tracking the myriad wildfire-related expenditures across the federal budget is challenging. The availability and detail of information about wildfire budget items vary significantly between and within agencies, complicating comparisons of funding levels, expenditures, and outcomes across different programs. Many programs address wildfires within a broader mandate – such as disaster mitigation and recovery aid to communities and infrastructure, as well as programs with goals that may not prioritize wildfire, but can be used to fund wildfire-related activities – that do not have publicly available appropriations or outlay information on wildfire-specific spending.

Another challenge that makes it difficult to track dollars within a single program over time is that the organization and budgeting of many of these programs have also changed over time. For example, in FY2021 the USFS created a new budget line item for salaries and expenses across all Forest Service programs – costs that had previously been incorporated into each program’s budget line-item. This re-structuring makes it difficult to compare wildfire program spending before and after FY2021.

The Wildland Fire Mitigation and Management Commission, established by the Infrastructure, Investment, and Jobs Act (IIJA), similarly underscored the need to improve transparency and accountability in federal wildfire spending in their final report to Congress.<sup>2</sup> The Commission stated “it is difficult to track what is being spent on wildfire and where... there is no way to determine, for example, how much federal wildfire funding has gone to each state or how much has been allocated to prescribed fire nationally.” Fortunately, opportunities exist to improve cross-departmental tracking and accounting.

## Budget Crosscuts

Developing wildfire budget crosscuts could clarify federal spending trends. These crosscuts, presenting data from multiple agencies over time, could illuminate and compare the activities of different agencies targeting the same goals. A well-structured wildfire budget crosscut could provide insight into past spending trends and shape future funding priorities.

The Commission also recommended establishing such crosscuts to better track federal wildfire spending. Per the Commission, “a comprehensive cross-agency tracking would increase transparency and accountability about how federal dollars are being spent on wildfire, including where investments are being focused.”

An effective wildfire crosscut should present budget information from multiple agencies that oversee wildfire-related programs, define and categorize funding by common goals throughout the fire cycle – like risk reduction, response, and recovery activities – and present a list of relevant programs within each category. The crosscut should also provide enough granularity on spending

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<sup>2</sup> Wildland Fire Mitigation and Management Commission, “ON FIRE: The Report of the Wildland Fire Mitigation and Management Commission,” September 2023.

<https://www.usda.gov/sites/default/files/documents/wfmmc-final-report-09-2023.pdf>

on wildfire-specific activities that fall under broader climate mitigation or disaster recovery programs to present a comprehensive overview of federal wildfire investments.

## Transparent Implementation of Funds

Beyond understanding the allocation of federal funds for wildfire management, it is vital for taxpayers to know how these funds will be utilized on the ground. Recent substantial increases in wildfire spending through the IIJA and Inflation Reduction Act (IRA) highlight the importance of this transparency. These Acts fund many activities outside existing programs, leaving much of the funding's implementation at the discretion of the agencies.

For example, the IIJA allocated up to \$60 million, with \$12 million annually from FY2022-2026, to the Community Wood Energy Program and the Wood Innovation Grants Program. Funds may also be used for other programs "for the purposes of creating incentives for increased use of biomass from National Forest System lands." While the U.S. Department of Agriculture announced some funding for the FY22 and FY23 grantees from the IIJA, the complete allocation of the \$12 million annual appropriations remains unclear.

## Conclusion

Effective disclosure and transparency in wildfire spending are essential to evaluate the priorities and effectiveness of these expenditures. Such transparency would indicate how taxpayer dollars are distributed geographically, across which programs, and over what timeframes. Local, state, and national stakeholders, both within and outside government, have a vested interest in enhancing the return on investment from wildfire spending. This improvement hinges on a more detailed understanding of how tax dollars are allocated.