Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to present the views of the Forest Service regarding the 2015 fire season and long term trends. Increasingly severe fire seasons are one of the greatest challenges facing the Nation’s forests and 2015 was no exception. Fire now consumes greater than 50 percent of the Forest Service budget and the agency needed to transfer funding from non-fire accounts to cover the cost of fire suppression again this year. To reduce the threat of wildland fire, the Forest Service is accelerating restoration and management of the national forests through innovative approaches and increased collaboration, though it is clear that more work needs to be done.

We are at a critical moment in the history of the Forest Service. Urgent action is needed in order to address the program disruption and associated deterioration of capacity to effectively manage our National Forests caused by the continually increasing percentage of our budget that is dedicated to wildfire suppression activities. We remain willing and ready to work with Congress to improve our tools to better manage our forests, but the most important action Congress can make now in advancing the pace and scale of forest restoration is to fix the fire funding problem.

REVIEW OF THE 2015 WILDFIRE SEASON
During this fire season, there were 24 days at National Preparedness Level 5 -- the highest level -- meaning all available ground and air assets are committed to priority work. Severe drought across the west has increased fire severity in several states. Washington State among others, has recorded a record season of severe wildfires. Drought-ridden California has also experienced tremendous fire activity. The Forest Service, in coordination with our fire response partners, mobilized over 27,000 firefighters along with numerous airtankers, helicopters, fire engines and other assets through our integrated, interagency suppression efforts. Every State, Puerto Rico, and the Pacific Islands, along with the military and international support, has provided people and equipment this season to help manage over 50,000 wildfires.

In total, over 9 million acres burned across the United States including over 5 million acres in Alaska. These fires destroyed over 2,500 single residences; however, the greatest losses involved
the fatalities of 13 wildland firefighters who made the ultimate sacrifice to protect the lives of others. Our thoughts and prayers will forever be with their family and friends.

This year, fire funding represents 52% ($2.159 billion) of the agency’s budget. Between last fiscal year and this year, for example, the suppression budget, using a rolling ten-year average, grew by $115 million and non-fire programs were reduced by that amount, requiring the agency to forego opportunities to complete vital restoration work and meet public expectations for other services the agency provides such as outdoor recreation, facility maintenance, research and more.

On Aug. 13th, the Forest Service projected that the agency would not have sufficient suppression funds to last through the end of the fiscal year. The only option available was to use the agency’s transfer authority. The agency developed a strategy to transfer up to $450 million from current year discretionary and permanent and trust balances. Upon implementation of the transfer strategy, it was determined that $450 million was insufficient to cover the suppression costs to the end of the fiscal year. Therefore, the Forest Service identified an additional $250 million to transfer from discretionary and permanent and trust fund balances to pay for suppression costs through the end of September. This year’s transfer strategy has cancelled or postponed several projects including critical bridge inspections, road repairs, prescribed burns and other restoration projects. In total, the Forest Service spent approximately $1.7 billion on fire suppression in Fiscal Year 2015 (FY 2015). At the height of the season, the cost of wildland fire suppression was as much as $243 million in a week.

LONG TERM FIRE TRENDS AND BUDGET ISSUES
The Forest Service’s fire budget is based on the 10-year average cost of fire suppression. When fighting fires in a given year costs more than Congress appropriates (as was the case in FY 2015), the agency is forced to transfer additional funds from already depleted non-fire programs. Fiscal Year 2015 marked the eighth time since FY 2002 the Forest Service needed to transfer funds to pay for fire suppression. These transfers are highly disruptive to the planning and execution of numerous programs. When funding is transferred from other programs to support fire suppression operations, these programs are unable to accomplish priority work and achieve the overall mission of the agency. The ability of programs to achieve established targets are impacted as projects are often put on hold or cancelled.

The problem of fire transfer comes on top of an underlying budget shift. Over the past two decades, fires have increased in severity, intensity and cost as fire seasons have lasted more than 70 days longer, drought and increased temperatures contribute to dangerous conditions, and as more people have moved into fire-prone areas. These factors have led to a dramatic increase in the cost of the ten-year average. As documented in a recently released report¹, the cost of fire suppression has soared in the past 20 years and is having a debilitating impact on the Forest Service budget and non-suppression activities. In 1995, fire made up 16 percent of the Forest Service’s annual appropriated budget—this year, for the first time ever, more than 50 percent of the budget will be dedicated to fire. Along with this shift in resources, there has been a corresponding shift in staff, with a 39 percent reduction in all non-fire personnel. Left unchecked, the share of the budget devoted to fire in 2025 could exceed 67 percent.

¹ http://www.fs.fed.us/about-agency/budget-performance/cost-fire-operations
This dramatic shift in funding and personnel to fire programs and away from non-fire programs has significant impacts on the ground. These impacts matter for communities across the country, east to west – not just to the communities most impacted by fire. For example:

- In FY 2013 and FY 2014, twenty-one facilities projects were deferred to future years, including sewer system repairs, air tanker base repairs, water system improvements, dam repairs and wastewater system rehabilitation.
- Three quarters of Forest Service trails are not being maintained to standard, with a range of negative effects; the trails backlog was valued at $314 million in 2012 – with other recreation infrastructure needs, the backlog puts small businesses and communities that depend on recreation jobs and dollars at risk.
- Funding for the Vegetation and Watershed Management program has declined by 24 from FY 2001 to FY 2015 impacting the ability to support resource restoration projects on the Nation Forest System (NFS).
- Other programs, like research and State and private partnerships, are also impacted.

We are again proposing a revised funding strategy for wildfire suppression. The FY 2016 President’s Budget proposes discretionary funding for suppression at a level represented by 70 percent of the 10-year average of fire suppression costs. This level of funding provides for suppression of 98 percent of the fires we fight. In addition, up to $855 million for the Forest
Service, and $200 million for the Department of Interior, would be made available under a disaster funding cap adjustment to meet funding needs for fire suppression above the base appropriation. This strategy would provide increased certainty in addressing growing needs for fire suppression funding while better protecting non-suppression programs from funding transfers that diminish their effectiveness. Moreover, it would allow us to stabilize the pace and scale of our investments in restoring forested landscapes, helping forests adapt to the growing effects of climate change, and better prepare communities in the wildland/urban interface for future wildfires.

**INCREASING THE PACE AND SCALE OF RESTORATION**

Fire plays a beneficial role in maintaining the ecological stability of many landscapes, and the Forest Service is working with partners to restore healthy, resilient, fire-adapted ecosystems. Our goal, especially near homes and communities, is to prepare forests and grasslands to resist stresses such as drought and recover from disturbances, including wildfires. Our large-scale restoration projects are designed in part to restore fire-adapted forest types across large landscapes, including the reintroduction of periodic wildland fire where safe and effective.

The capacity to increase the pace and scale of landscape restoration can, over time, begin to check the growth of both wildfire cost and share of the Forest Service budget. The Forest Service, together with diverse partners, is making a difference through implementation of the Collaborative Forest Landscape Restoration Program, Watershed Condition Framework, Integrated Resource Restoration pilot projects, Western Bark Beetle Strategy, finalization of the 2012 forest planning rule, efficiency improvements for the National Environmental Policy Act and timber and stewardship contract processing, prescribed burns and managed wildfire, and market support programs for forest products.

The Forest Service has increased the impact and rate of restoration nationally. In 2014, the agency accomplished treatments on 4.6 million acres to restore watershed function on NFS land and to reduce the threat of fire in the wildland-urban interface on NFS and State and private lands. This represents an increase of nearly 400,000 acres (9 percent) compared to 2011 accomplishments despite mounting challenges such as record droughts, longer and drier wildfire seasons, a reduction in non-fire personnel to support the agency’s mission, and a rapidly increasing percentage of the budget being spent on wildland fire management.

We have achieved efficiencies by investing in collaborative approaches to forest restoration across the country as a way to develop better projects, to work across larger landscapes, to build public support for forest restoration and management, and to reduce the risk from litigation. Dozens of collaboratives across the country are enabling the Forest Service and our partners to get more work done. These collaboratives are locally led groups from local communities, environmental groups, forest industry, and others and are designing projects that address forest restoration, supply wood to local mills, conserve watersheds and provide a range of other benefits.

In addition, the 2014 Farm Bill expanded current authorities and provided several new authorities to increase the pace and scale of restoration including:
Forest Restoration through Stewardship Contracting
The Farm Bill provided permanent authority for stewardship contracting. Stewardship contracts help the Forest Service achieve land and natural resource management goals by funding forest health and restoration projects, stream restoration, hazardous fuel removal, and recreation improvements. In many areas, stewardship contracting will allow the agency to build larger projects, treating more acres, with broader public support. Since 2008, acres treated through stewardship contracts and agreements have nearly tripled.

We are also working to improve the efficiency of planning timber sales and stewardship contracts. In 2014, we exceeded our targets by producing 2.8 billion board feet of timber. Our timber harvest has increased 14 percent since 2008. The agency is achieving these results despite the fact that since 1998, NFS staff was reduced by well over a third. If the President’s FY 2016 budget proposal were in place this year, approximately $300 million would be available for non-fire programs. Forest Service is estimating that would equate to one million additional acres treated and an increase of 300 million board feet.

Forest Restoration through Expanded Insect and Disease Designations
The 2014 Farm Bill also added authority to the Healthy Forest Restoration Act to authorize designation of insect and disease treatment areas and provided categorical exclusions (CEs) for insect and disease projects on areas as large as 3,000 acres. The Forest Service received letters from 36 States requesting designations under the insect and disease provisions. In response, we designated approximately 46.7 million acres of National Forest System lands. Currently, 20 projects have been proposed under the provision; the Forest Service intends to use the CE provision for 16 of the projects and streamlined Environmental Assessments for the remaining four. The initial 16 projects will help the agency and its partners better understand and implement the new CE authority while additional projects are proposed, planned, and authorized. The Forest Service will expand planning and implementation of projects within designated areas in FY 2016 and beyond.

Forest Restoration through Projects under the Good Neighbor Authority
The Forest Service completed the requirements under the Paperwork Reduction Act to move forward with developing the new Good Neighbor Agreement templates necessary to carry out projects with the States. The Forest Service worked closely with states to collaboratively develop the new templates, which were approved by the Office of Management and Budget on June 24, 2015. Since then, the agency has entered into agreements with Pennsylvania, Utah, and Wisconsin to carry out forest, rangeland and watershed health activities on the national forests in those States.

On many of our national forests, Burned Area Emergency Response, or BAER teams, are at work using their authorities to stabilize riverbanks and watersheds to prevent flooding and protect water supplies as a result of this year’s fire activity. But that’s not enough. Land managers lack the necessary funding to assist with the repair of thousands of miles of fire-damaged roads, to quickly remove the hazard trees that line those roads, and to restore trail-heads and campgrounds critical to rural recreation businesses.
We remain interested in ideas that will help us pursue treatment at the landscape scale quickly, efficiently, and in a reasonable time to address problems before they can worsen. As a general matter, the Forest Service welcomes legislation that incentivizes collaboration and expands the toolset we can use to complete critical work on our nation’s forests, without overriding environmental laws, mandating harvest levels, or requiring new layers of zoning on the NFS.

CONCLUSION
The frequency and intensity of wildfire, the rising cost of resources needed to deploy for emergency response against the spread of wildfire, and the way that fire suppression is paid for all combine to constrain the agency’s capacity to realize additional gains in land management and restoration through efficiencies and partnerships. Although the Forest Service has, in recent years, made great strides in the pursuit of efficiencies – we are treating more acres with fewer people, there is a limit to what the agency can achieve going forward unless Congress solves the wildfire budget challenge we face. We are at a critical moment in the history of the Forest Service. Urgent action is needed in order to ensure that that Forest Service does not become further hindered by the continually increasing percentage of our budget that is dedicated to wildfire suppression activities. The most important action Congress can make now in advancing the pace and scale of forest restoration is to fix the fire funding problem.