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Highlights

Highlights of GAO-06-896T, a testimony before the Subcommittee on Public Lands and Forests, Committee on Energy and Natural Resources, U.S. Senate

WILDLAND FIRE SUPPRESSION

Better Guidance Needed to Clarify Sharing of Costs between Federal and Nonfederal Entities

Why GAO Did This Study

Wildland fires can burn or threaten both federal and nonfederal lands and resources, including homes in or near wildlands, an area commonly called the wildland-urban interface. Agreements between federal and nonfederal firefighting entities provide the framework for working together and sharing the costs of fire suppression efforts. GAO was asked to (1) review how federal and nonfederal entities share the costs of suppressing fires that burn or threaten both of their lands and resources and (2) identify any concerns that these entities may have with the existing cost-sharing framework. This testimony is based on GAO's May 2006 report *Wildland Fire Suppression: Lack of Clear Guidance Raises Concerns about Cost Sharing between Federal and Nonfederal Entities* (GAO-06-570).

What GAO Recommends

In its report, GAO recommended that the Secretaries of Agriculture and the Interior, working with relevant state entities, provide more specific guidance on when to use particular cost-sharing methods and clarify the financial responsibilities for fires that burn or threaten to burn across multiple jurisdictions. The Forest Service and Interior generally agreed with the recommendations but the National Association of State Foresters disagreed, stating that the recommendations would not provide the flexibility needed to address the variability in local circumstances and state laws.

www.gao.gov/cgi-bin/getrpt?GAO-06-896T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Robert A. Robinson at (202) 512-3841 or robinsonr@gao.gov.

What GAO Found

Federal and nonfederal entities used a variety of methods to share the costs of fighting wildland fires affecting both of their lands and resources. Cooperative agreements between federal and nonfederal firefighting entities—which are developed and agreed to by the entities involved—provide the framework for cost sharing and typically list several cost-sharing methods available to the entities. The agreements GAO reviewed, however, often lacked clear guidance for federal and nonfederal officials to use in deciding which method to apply to a specific fire. As a result, cost-sharing methods were applied inconsistently within and among states, even for fires with similar characteristics. For example, GAO found that in one state, the costs for suppressing a large fire that threatened homes were shared solely according to the proportion of acres burned within each entity's area of fire protection responsibility, a method that traditionally has been used. Yet, costs for a similar fire within the same state were shared differently. For this fire, the state agreed to pay for certain aircraft and fire engines used to protect the wildland-urban interface, while the remaining costs were shared on the basis of acres burned. In contrast to the two methods used in this state, officials in another state used yet a different cost-sharing method for two similar large fires that threatened homes, apportioning costs each day for personnel, aircraft, and equipment deployed on particular lands, such as the wildland-urban interface. The type of cost-sharing method ultimately used is important because it can have significant financial consequences for the entities involved, potentially amounting to millions of dollars.

Both federal and nonfederal agency officials raised a number of concerns about the current cost-sharing framework. First, some federal officials were concerned that because guidance is unclear about which cost-sharing methods are most appropriate in particular circumstances, it can be difficult to reach agreement with nonfederal officials on a method that all parties believe distributes suppression costs equitably. Second, some nonfederal officials expressed concerns that the emergence of alternative cost-sharing methods is causing nonfederal entities to bear a greater share of fire suppression costs than in the past. In addition, both federal and nonfederal officials believed that the inconsistent application of these cost-sharing methods has led to inequities among states in the proportion of costs borne by federal and nonfederal entities. Finally, some federal officials also expressed concern that the current framework for sharing costs insulates state and local governments from the increasing costs of protecting the wildland-urban interface. Therefore, nonfederal entities may have a reduced incentive to take steps that could help mitigate fire risks, such as requiring homeowners to use fire-resistant materials and landscaping. On the basis of a review of previous federal reports and interviews with federal and nonfederal officials, GAO believes that these concerns may reflect a more fundamental issue—that federal and nonfederal entities have not clearly defined their basic financial responsibilities for wildland fire suppression, particularly those for protecting the wildland-urban interface.