



# **NATIONAL ACADEMY OF PUBLIC ADMINISTRATION**

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**U.S. Senate**  
**Committee on Energy and Natural Resources**

**Prepared Testimony on**  
**Status of Federal Land Management Agencies' Efforts to**  
**Contain the Costs of Their Wildfire Suppression Activities**

**January 30, 2007**

Mr. Chairman and Members of the Subcommittee:

My name is Bruce McDowell. I am a Fellow of the National Academy of Public Administration, and for three and a half years it was my pleasure to direct the Academy's studies of wildland fire issues for the Department of the Interior and the USDA Forest Service. As you know, the Academy is an independent, non-partisan organization chartered by the Congress to give trusted advice to the federal government and others.

The views I am presenting today represent those of the expert Academy Panel convened for the purpose of guiding our work on six wildfire reports issued between August 2000 and January 2004 and not necessarily those of the Academy as a whole. We enjoyed working with Congressional and agency staff throughout that period, and appreciate the opportunity to appear before your Committee today to highlight the key findings and recommendations from our work. Although we have had a limited opportunity to formally assess progress in implementing the National Fire Plan since January 2004, we believe that the overall thrust of the Panel's reports remains relevant today.

### **General Thrust of the Academy's Wildfire Reports**

**Our first report**—on the Cerro Grande Fire (August 2000)—found a need to significantly improve risk assessments and coordination practices in the wildfire program of the National Park Service, and those improvements have been made to improve the safety of prescribed burning.

**Our second report**—*Managing Wildland Fire: Enhancing Capacity to Implement the Federal Interagency Policy* (December 2001)—called for a number of improvements for coordinating the various federal wildfire programs. Chief among the Panel's recommendations was the establishment of an interagency coordination body, and the Wildland Fire Leadership Council (WFLC) was established shortly thereafter. We believe that was a major step forward. That report also recommended a non-federal advisory committee to work closely with the interagency council to establish a strong

intergovernmental partnership, and the 10-Year Strategy Group that works through the Western Governors' Association resulted. Another recommendation of our second report was to regularly assess the large fires each year to identify lessons for improving practices in subsequent years. Those assessments now seem to be firmly established.

**Our third report**—*Wildfire Suppression: Strategies for Containing Costs* (September 2002)—made 19 recommendations mostly designed to help reduce costs while fighting fires. The one most directly implemented is a requirement to have an Incident Business Advisor (IBA) representing the Agency administrator on costly fires. This advocate for cost-consciousness is independent of the Incident Management Team and had been used before on some fires. But they had not been used on a consistent basis because there were not enough qualified individuals to go around at the time we studied six of the largest wildfires that burned during 2001. Subsequently, more IBAs have been trained and assigned, and it may be time to assess their effectiveness—if such an assessment has not already been made. I note that the USDA Inspector General has recently addressed the cost containment effectiveness of Forest Service line offices and incident commanders, and has recommended further improvements.

**Our fourth report**—*Containing Wildland Fire Costs: Improving Equipment and Services Acquisition* (September 2003)—emphasized the need for better analysis of alternative sources of supply for firefighting equipment and services. Based on experience in other federal agencies, we estimated that systematic use of such analysis would be likely to save at least ten percent of the annual spending on these items—or about \$80 million per year. We understand that several new procurement analysts have been assigned to further this goal.

**Our fifth report**—*Containing Wildland Fire Costs: Utilizing Local Firefighting Forces* (December 2003)—recommended training and qualifying more local firefighters to work on large wildfires, establishing locally dedicated Type-3 Incident Management Teams in wildfire-prone areas, and facilitating access to the federal grants designed to enhance the capabilities of local firefighters that are available from multiple sources. Local

firefighters are usually the least costly to use—if they are properly trained and equipped. Too often they are automatically dismissed from the fire scene as soon as a national Incident Management Team arrives (and replaced with higher cost resources), because there is no way to know whether they are qualified. If the local firefighters are led by a qualified local Type-3 team from the beginning of the fire (at which they usually arrive first because they are closest), there is a much better chance that they will keep the fire small and less costly. If the fire grows large enough to need a more highly qualified team, the transition is likely to be smoother and quicker. And the local Type-3 team will be able to take back command of the fire earlier as it comes under control. All of these practices will reduce the cost of the fire. We understand that the federal agencies are now aggressively promoting creation of many more Type-3 teams, with full support by the National Association of State Foresters and the International Association of Fire Chiefs.

**Our sixth and probably most important report**—*Containing Wildland Fire Costs: Enhancing Hazard Mitigation Capacity* (January 2004)—recommended significantly enhancing statewide and community-wide Wildfire Mitigation Partnerships. The more our Panel looked at the potential to save money while suppressing wildfires that were already burning, the more it became convinced that is the wrong place to look for major savings. Our Panel recognized that wildfire hazard reduction (1) is a huge undertaking, and (2) requires spending money now to reduce suppression costs later. We are well aware that neither of these realities makes this initiative easy to sell to federal appropriators who are working under increasingly tight caps on what they can spend each year. However, our Panel saw no alternative to the conclusion that hazard mitigation provides the only real answer to controlling suppression costs.

- Once a fire begins, its course is largely predetermined by drought, weather, and ignitions—plus the fuel that is in its path.
- If development or other high value assets—such as watersheds, power lines, pipelines, communications relay sites, or an ecological system that would be badly damaged by a severe fire—are in the fire’s path, the pressure is to use whatever means are available to put it out, regardless of the cost.

- The factors that can be controlled to reduce suppression costs are mostly available to work on before the fire ignites. They include creating fire-resistant communities and defensible spaces, strategic fuel break systems that dampen fire progression patterns and make fires more manageable, and reduced fuel loadings in wild areas where a policy favoring wildland fire use where when lightning strikes could play their natural role without harm.

Taking action on these controllable factors at a scale that matches the current need will require collaboration among all the responsible and affected parties—both public and private. The current federal policy of dealing with this daunting challenge at a “landscape scale” is correct. However, few collaborative mechanisms for this purpose existed at this scale when we prepared our study. Ruidoso, NM and Central Oregon provided examples where such work had begun. So, our Panel recommended creating and supporting such mechanisms in all wildfire-prone areas. It is one of eight “best buys” that our Panel recommended for consideration.

I was pleased to note in reviewing the December 2006 *10-Year Comprehensive Strategy Implementation Plan* that major progress has been made in establishing these community-based collaborations and producing over 600 Community Wildfire Protection Plans. This is a major advance that deserves your attention and encouragement, because these plans are designed to:

- reduce risks to firefighters, communities, and the environment
- improve the cost-effectiveness of firefighting
- achieve more ecologically natural and safer wildland fire regimes

Even in the tightest budget year, support for this intergovernmental collaboration should be provided, because it can leverage funding from many sources. This becomes increasingly important the tighter the federal budget becomes. Collaboratives like this could provide an excellent opportunity for federal wildfire agencies, for example, to

negotiate equitable suppression cost-sharing agreements based on local hazard mitigation actions such as those recommended by Firewise.

**Altogether, a substantial amount of progress has been made** on implementing the *National Fire Plan* since 2000. But, of course, much more remains to be done.

**I have attached an outline of the eight best buys** emerging from our latest three reports, and would be happy to answer questions about any or all of them. For now, I will highlight just one.

Something needs to be done to break the too-frequent cycle of borrowing from hazard mitigation funds (and other land management programs) to fund suppression activities that run over-budget. This practice has been very disruptive, unpredictable, and counterproductive. FEMA disasters are not funded this way, and neither should wildfire disasters.

As I was preparing this testimony, I found that recent Congressional actions have given suppression funding such a high priority that it now consumes over 40 percent of the entire Forest Service budget. This puts enormous pressure on non-suppression programs – and tends to drive out essential hazard mitigation activities, among others. In the long-run this is counterproductive.

**I would like to close** by drawing your attention to a very important pilot project in Central Oregon. The Central Oregon Intergovernmental Council (COIC)—an example of the kind of collaborative organization our Panel has recommended—is developing bioenergy options for turning the thinning of forests into a new economically productive “forest industry.” COIC has federal demonstration funds to explore the potentials for new uses of forest biomass. The project is co-sponsored by the USDA Forest Service, the Oregon departments of Energy and Economic & Community Development, and the Business Alliance for Sustainable Energy. If some coordination money like this can leverage economic development from what is otherwise only a fire-safety necessity, and

a 100 percent governmental expense it will create another best buy. Innovations like this are well worth watching and encouraging.

Shifting the costs of wildfire hazard mitigation into the private sector as a profit-making opportunity would be a perfect solution to what is now perceived to be an unaffordable public obligation. The federal role would include technology research (which is being pursued), technical assistance, and perhaps some market aggregation to help reduce the risks to early adopter companies willing to venture into this new activity.

Mr. Chairman, this concludes my remarks. I would be delighted to answer questions.

**Dr. Bruce D. McDowell** is a retired federal executive and a Fellow of the National Academy of Public Administration. For the last ten years, he has directed numerous Academy studies for a wide variety of federal agencies.

Most of Dr. McDowell's federal experience was with the U.S. Advisory Commission on Intergovernmental Relations, where he was Director of Government Policy Research. He also served as Director of Governmental Studies at the National Council on Public Works Improvement.

Before entering federal service, Dr. McDowell was a senior planner with the Maryland-National Capital Park and Planning Commission and Director of Program Coordination at the Metropolitan Washington Council of Governments. Dr. McDowell is a certified city planner and a Fellow of the American Institute of Certified Planners.