



# Wildfire Suppression



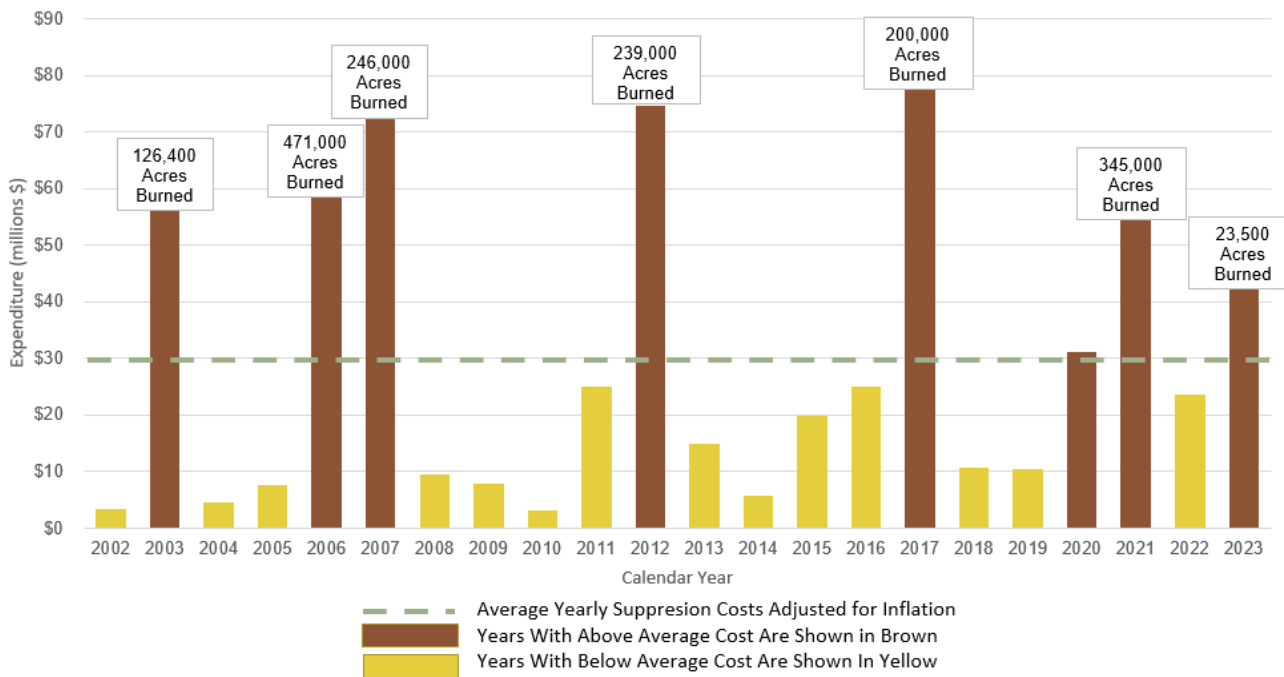
## Wildfire Suppression Funding

### Historical Costs

In Montana, wildfires are an expected occurrence. However, predicting their location, severity, and the ultimate cost to the state is challenging. Extreme fire years can strain the state budget, especially during lean revenue periods. Wildfire suppression costs are volatile and may place state finances at risk during times of economic volatility. The annual cost of wildfire suppression, adjusted for inflation, has averaged \$30 million over the last twenty-two years, the average over the last five years in \$32.3 million. Above-average wildfire years tend to be significantly higher than the average, seven of the last twenty-two years were above average with four of those years exceeding twice the average cost.

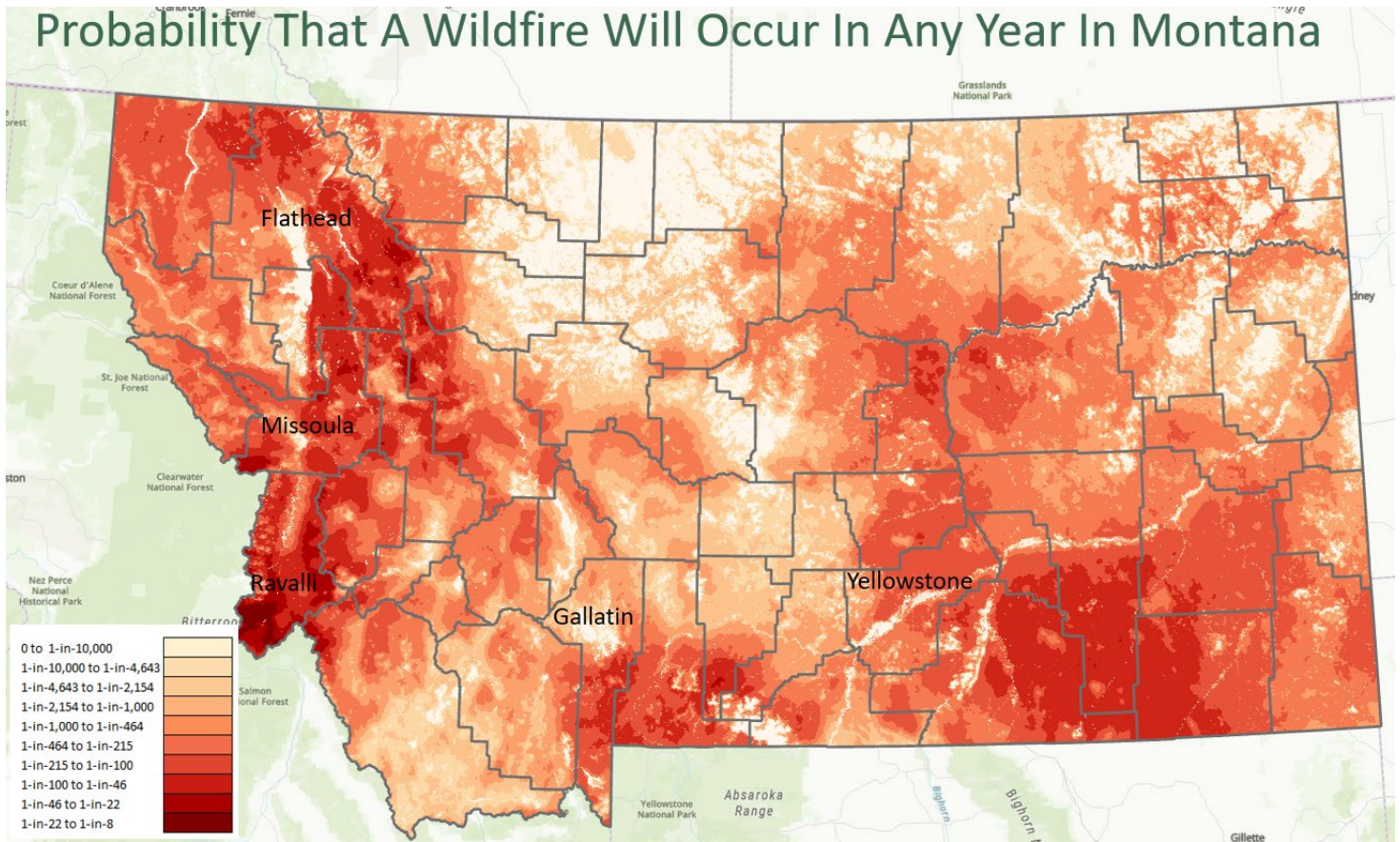
The graph below illustrates state expenditures, adjusted for inflation, and the acres burned on state lands over the past twenty-two years. Years below average are displayed in yellow, above average years in brown. The values in the graph exclude expenditures and acres burned on federal land, which covers approximately 29% of the state, with a significant portion being heavily forested.

Montana Fire Suppression Costs & Acres Burned on State, County, and Private Lands (\$ millions adjusted for inflation)



### Where Do Fires Occur?

Wildfire risks are highest in areas with high fuel loads, such as the dense forests of western Montana and the regions bordering Yellowstone National Park. The shrublands and grasslands of eastern Montana also face a high risk. In recent years, new residential and commercial development in the wildland-urban interface of Flathead, Missoula, Ravalli, Yellowstone, and Gallatin counties has complicated wildfire suppression efforts and increased associated costs. The map on the following page illustrates the areas of the state that are at the greatest risk of wildfires.



## **How Does Montana Fund Wildfire Suppression?**

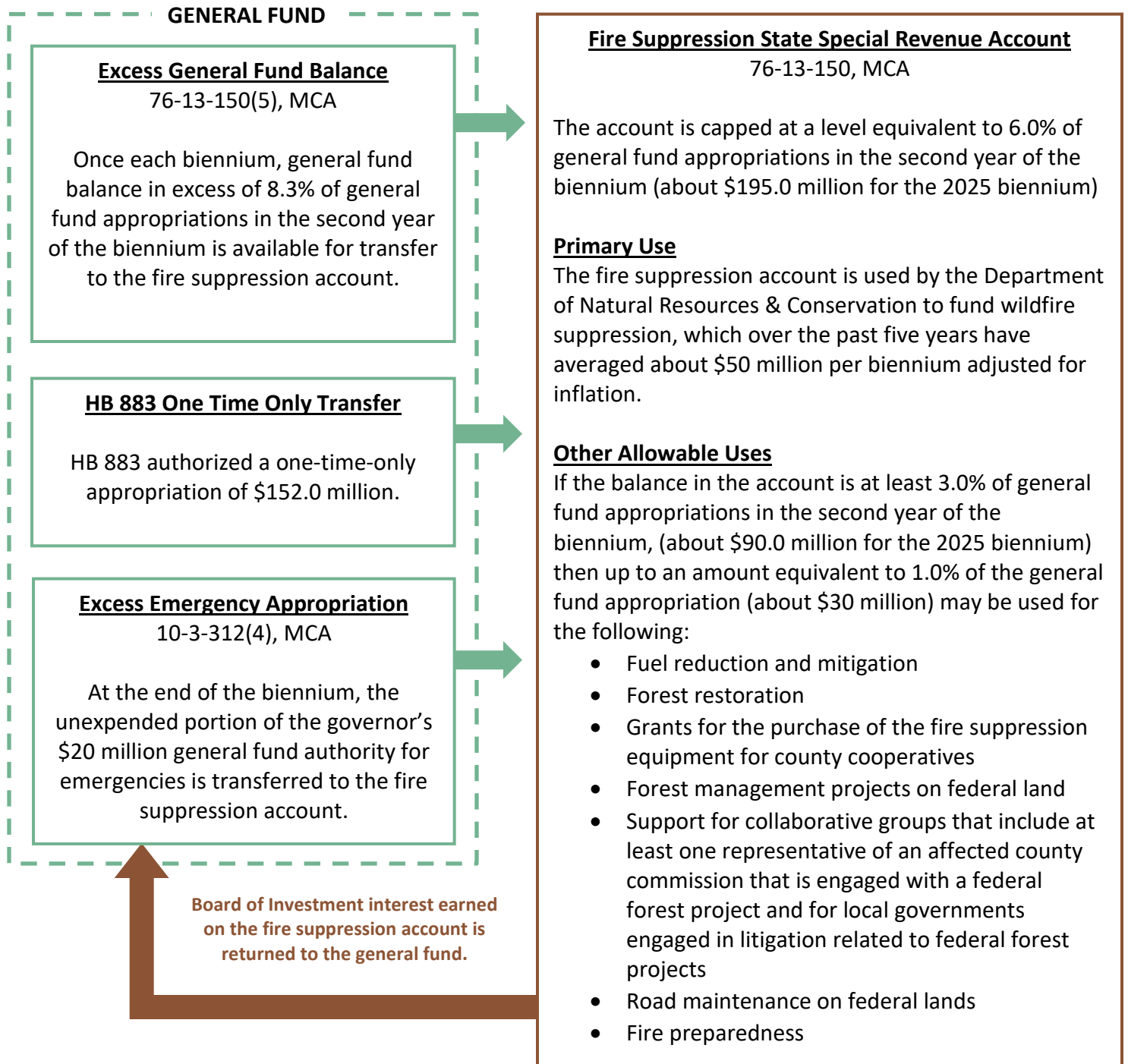
In short, Montana funds fire suppression with general fund that is deposited in the wildfire suppression state special revenue account.

The wildfire suppression account was established by the legislature in 2008 and is statutorily appropriated to the Department of Natural Resources (DNRC) for wildfire mitigation, wildfire season preparedness, equipment purchases, and wildfire suppression. To provide a more reliable revenue source and increase the available balance in the fire suppression account the 2023 legislature passed HB 883 which did three things.

1. HB 883 seeded the fire suppression fund with \$152 million.
2. HB 883 provided a mechanism in statute to transfer sufficient general fund to the fire suppression account each biennium sufficient to bring the balance to an equivalent of 6.0% of the general fund revenues in the second year of the biennium, about \$200.0 million in the 2025 biennium.
3. HB 883 increased the amount that DNRC could use for fire mitigation, equipment, and preparedness from \$5.0 million per biennium to \$30.0 million per biennium.

The table on the next page summarizes the flow of funds from the general fund to the wildfire suppression fund.

# Montana Wildlife Suppression State Special Revenue Account General Fund Transfers (HB 883)



# State Partners in Wildfire Suppression.

## County Co-Op Fire Protection Arrangement

All wildfires start out small and if fire suppression is early and effective, the likelihood that fire will grow into a major incident is reduced. Over the past 10 years, 96% of wildfires in Montana have been controlled before they reach 10 acres. Through the County Co-op Fire Protection Arrangement, local fire departments provide the initial attack on fires and extended attack in most cases. When a wildland fire exceeds the capacity of the county, DNRC will intervene to assist. The agency brings state and federal resources at no cost to the county providing organizational and technical assistance, equipment, training, and direct fire control assistance when needed. The additional authority provided in HB 883, as described above, will enable the state to expand this assistance.

Statistics include:

- County firefighters provide initial attack on over 2,000 wildland fires each year.
- Over the years, DNRC has provided 360 fire engines and water tenders to local fire departments,
- DNRC trains more than 3,000 local government firefighters each year

## Landowner Fire Protection Fee

Landowners within a direct protection zone provide funding for fire readiness by paying a fire protection fee. This fee is set in statute with an upper limit of \$50 per parcel per fire district and a \$0.30 per acre fee for parcels over 20 acres. Landowners with less than 20 acres pay approximately 60% of the total fee. In FY 2018 this fee raised \$3.8 million. The state also has signed an inter-agency agreement for cooperative wildfire management with federal fire agencies that also have fire protection responsibilities in Montana.

## Federal Assistance

Federal assistance for fire suppression is made available to the state when fire conditions meet federal thresholds.

The Federal Emergency Management Agency (FEMA) determines whether the threat posed by a fire or fire complex would constitute a major disaster. FEMA utilizes the following specific criteria:

- Threat to lives and improved property, including threats to critical facilities and/or infrastructure, and critical watershed areas (otherwise referred to as the 100-structure threshold)
- Availability of state and local firefighting resources
- High fire danger conditions, as indicated by nationally accepted indicators
- Potential major economic impact

A fire incident must meet certain eligibility criteria for the state to receive a Fire Management Assistance Grant (FMAG), including the threat to lives and improved property and whether the fire threatens to cause a major disaster. Within a calendar year, Montana must have incurred a \$100,000 expense threshold on a single incident or a \$500,000 multi-incident threshold to be eligible for a FMAG. Once Montana receives a FMAG declaration, FEMA reimburses 75% for eligible expenditures realized within the FMAG declaration period.