The 2018 budget act signed into law on March 23, 2018 will increase the funding available for wildfire suppression, enabling the Forest Service and Interior Department to respond to ever more severe fires while easing the strain on their overall budgets. Before the new law, Congress limited appropriations for fire suppression to the ten-year average of wildfire suppression costs, excluding the highest- and lowest-cost years. However, because of the formula's lag and the sharp increase in wildfires, costs have outpaced appropriations. The Forest Service spent \$3 billion on wildfire suppression in 2017—the costliest year in history. By contrast, the budget justifications from the Forest Service and Interior Department calculated the limit on wildfire appropriations for FY 2018, based on the ten-year average of suppression costs ending in FY 2016, at \$1.45 billion. That mismatch forces the Forest Service to divert funds from other programs to cover the shortfall, and overall means that the Forest Service currently devotes a majority of its budget to wildfire suppression.

The new law freezes the limit on appropriations for wildfire suppression at the 2015 level, but beginning in 2020 allows Congress to appropriate additional emergency funds if suppression costs surpass the limit. Additional funds would be capped in turn at \$2.25 billion for 2020, increasing annually by \$100 million through 2027. In the meantime, the law appropriates \$500 million in additional suppression funds for 2018 and 2019.

The funding fix was a <u>last-minute</u> bipartisan compromise, following years of debate in Congress on the problem. Republicans have pressed for more lenient environmental review of forest management projects as a precondition for increasing funding to fight wildfires. Last year, Rep. Westerman (R-Ark.) introduced the <u>Resilient Federal Forests Act</u>, which would have added wildfires to the list of disasters eligible for relief funding from FEMA, but also would have exempted tree-removal projects of up to 30,000 acres from environmental review where the projects aimed at fire prevention. By offering to cap regular appropriations for fire suppression at 2015 levels, Senate Democrats succeeded in gaining sufficient Republican support for a more modest environmental rollback. The budget act only exempts hazardous fuel reduction projects of up to 3,000 acres, and only if they meet certain conditions.

Hazardous fuel reduction projects of the kind covered by the act are already authorized under the Healthy Forests Restoration Act of 2003 (HFRA), which allows removal of trees close to municipal watersheds, in wildland-urban interfaces, and areas of storm damage or insect or disease infestation. Tree-removal projects must be consistent with agency resource management plans, and they may not occur in wilderness or wilderness study areas. HFRA streamlined environmental review for hazardous fuel reduction projects under the National

Environmental Policy Act (NEPA), limiting the number of alternatives an agency must consider. It also created a special administrative review process, and limited judicial review to issues raised during environmental review. HFRA was amended in 2014 to exempt projects from NEPA and special administrative review if they are no larger than 3,000 acres, are undertaken to reduce insect or disease infestation, are located in the wildland-urban interface or high fire-risk area designated as experiencing epidemic infestation, and are developed using a collaborative process. The budget act exempts similar projects from NEPA and special administrative review, the only difference being that the budget act exemptions apply to projects undertaken to to reduce wildfire risk.

Although both the 2014 amendments and the new act exempt certain projects from NEPA, they do not eliminate public participation. The Forest Service and Department of Interior must hold public meetings near the site of proposed projects; involve state, local, and tribal governments; and provide public notice and scoping. Furthermore, if an emergency exception to the NEPA exemption applies, then environmental review requirements would be triggered.