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WILDLAND FIRE MANAGEMENT

Lack of a Cohesive Strategy Hinders Agencies' Cost- Containment Efforts

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Natural Resources and Environment





Highlights of [GAO-07-427T](#), a testimony before the Committee on Energy and Natural Resources, U.S. Senate

Why GAO Did This Study

Over the past two decades, the number of acres burned by wildland fires has increased, often threatening human lives, property, and ecosystems. The cost of responding to wildland fires has also grown, especially as more homes are built in or near wildlands, an area called the wildland-urban interface. Past management practices, including a concerted federal policy in the 20th century of suppressing fires to protect communities and ecosystems, unintentionally resulted in steady accumulation of dense vegetation that can fuel large, intense, and often costly wildland fires.

GAO was asked to identify actions that federal wildland fire agencies need to take to help contain federal wildland fire expenditures. GAO has identified these actions in three of its reports addressing fuel reduction and cost-sharing efforts and as part of an ongoing review of federal agencies' efforts to contain wildland fire preparedness and suppression costs for this committee. Specifically, GAO focused on examining agencies' efforts to (1) reduce accumulated fuels and address wildland fire problems, (2) share with nonfederal entities the costs of responding to multijurisdictional fires, and (3) contain the costs of preparing for and responding to wildland fires.

www.gao.gov/cgi-bin/getrpt?GAO-07-427T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Robin M. Nazzaro at (202) 512-3841 or nazzaror@gao.gov.

WILDLAND FIRE MANAGEMENT

Lack of a Cohesive Strategy Hinders Agencies' Cost-Containment Efforts

What GAO Found

Over the past 7 years, GAO has recommended a number of actions federal wildland fire agencies should take to improve their management of wildland fire activities, actions that could also help contain the rising federal expenditures for responding to wildland fires. These agencies—the Forest Service within the Department of Agriculture and land management agencies within the Department of the Interior—concurred with GAO's recommendations but have not completed, or in some cases have not yet begun, needed actions. GAO's ongoing review of federal agencies' efforts to contain wildland fire preparedness and suppression costs has also identified other actions that may be needed. Specifically, the agencies need to:

- ***Develop a cohesive strategy that identifies the options and associated funding to reduce fuels and address wildland fire problems.*** In 1999, to address the problem of excess fuels and their potential to increase the severity of wildland fires and the cost of suppression efforts, GAO recommended that a cohesive strategy be developed that identified the available long-term options and associated funding for reducing these fuels. In 2005 and 2006, because the agencies had not yet developed one, GAO reiterated the need for such a strategy but broadened its focus to better address the interrelated nature of fuel reduction efforts and wildland fire response. GAO also recommended that, as an interim step, the agencies develop a tactical plan outlining the steps and time frames needed for completing a cohesive strategy. As of January 2007, the agencies had not developed either a cohesive strategy or a tactical plan.
- ***Clarify their guidance for sharing wildland fire suppression costs with nonfederal entities.*** In 2006, to address the rising costs of responding to fires that threaten both federal and nonfederal lands and resources, GAO recommended that the federal agencies provide more specific guidance as to when particular cost-sharing methods should be used. The cost-sharing method used can have significant financial consequences for the entities involved—potentially amounting to millions of dollars. As of January 2007, the agencies were updating their guidance on possible cost-sharing methods and when each typically would be used, but it is unclear how the agencies will ensure that the guidance is followed.
- ***Establish clear goals, strategies, and performance measures to help contain wildland fire costs.*** Preliminary findings from GAO's ongoing work indicate that the effectiveness of agencies' efforts to contain costs may be limited because the agencies have not clearly defined their cost-containment goals, developed a strategy for achieving those goals, or developed related performance measures. For these efforts to be effective, the agencies need to integrate cost-containment goals with the other goals of the wildland fire program—such as protecting life and property—and to recognize that trade-offs will be needed to meet desired goals within the context of fiscal constraints.

Mr. Chairman and Members of the Committee:

I am pleased to be here today to discuss the key actions that we believe federal wildland fire management agencies—the Forest Service within the Department of Agriculture and four agencies within the Department of the Interior—need to complete to help contain the rising costs of preparing for and responding to wildland fires. Increasing wildland fire threats to communities and ecosystems, combined with rising costs of addressing those threats—trends that we and others have reported on for many years—have not abated. On average, the acreage burned annually by wildland fires from 2000 to 2005 was 70 percent greater than the acreage burned annually during the 1990s. Appropriations for wildland fire management activities tripled from about \$1 billion in fiscal year 1999 to nearly \$3 billion in fiscal year 2005. Although the agencies are still refining their data, 2006 was an especially severe year, with almost 10 million acres burned and what are likely to be the highest federal fire suppression expenditures ever. A number of factors have contributed to more-severe fires and corresponding increases in expenditures for wildland fire management activities. These factors include an accumulation of fuels due to past fire suppression policies; severe weather and drought in some areas of the country; and growing numbers of homes built in or near wildlands, an area often called the wildland-urban interface. In light of the federal deficit and the long-term fiscal challenges facing the nation, attention has increasingly focused on ways to contain these growing expenditures and to ensure that the agencies' wildland fire activities are appropriate and carried out in a cost-effective and efficient manner.

My testimony today includes findings from three of our recent reports, plus preliminary findings from work under way, which together summarize key wildland fire management weaknesses we have identified over the last 7 years, as well as critical actions the agencies need to complete if they are to effectively contain the rising costs of responding to wildland fires. Specifically, my testimony focuses on three issues: the agencies' efforts to (1) reduce fuels and address wildland fire problems,¹ (2) share with nonfederal entities the costs of responding to fires that burn

¹GAO, *Wildland Fire Management: Update on Federal Agency Efforts to Develop a Cohesive Strategy to Address Wildland Fire Threats*, [GAO-06-671R](#) (Washington, D.C.: May 1, 2006); *Wildland Fire Management: Important Progress Has Been Made, but Challenges Remain to Completing a Cohesive Strategy*, [GAO-05-147](#) (Washington, D.C.: Jan. 14, 2005).

or threaten to burn multiple jurisdictions,² and (3) contain federal expenditures of preparing for and responding to wildland fires. To evaluate these issues, we reviewed selected reports that we have issued since 2000, as well as those by other federal agencies or outside organizations, that assessed federal wildland fire management. We reviewed pertinent agency plans, policies, procedures, reports, and financial documents, and we interviewed federal and nonfederal officials to identify steps federal agencies have taken to address these areas and the challenges remaining. We performed our work in accordance with generally accepted government auditing standards from May 2006 through January 2007.

Summary

In summary, federal wildland fire management agencies need to take a number of actions to strengthen their overall management of the wildland fire program, actions that could lead to more effective and efficient use of scarce resources and help the agencies to better contain costs. While we have made a number of recommendations over the last 7 years to improve wildland fire management—and agencies have largely concurred with these recommendations—the agencies have made limited progress in implementing the needed changes. Further, our preliminary work on federal agencies' efforts to contain wildland fire preparedness and suppression costs has also identified other actions that may be needed. Specifically, we believe that the agencies need to:

- ***Develop a cohesive strategy that identifies the options and associated funding to reduce fuels and address wildland fire problems.*** In 1999, to address the problem of excess fuels and their potential to increase the severity of wildland fires and cost of suppression efforts, we recommended that a cohesive strategy be developed that identified the available long-term options and associated funding for reducing fuels. By 2005, the agencies had yet to develop such a strategy, and we reiterated the need for a cohesive strategy and broadened our recommendation's focus to better address the interrelated nature of fuel reduction efforts and wildland fire response. We also recommended that the agencies develop a tactical plan outlining the steps and time frames needed for completing a cohesive strategy. Such a strategy and plan would be helpful to the Congress and the agencies in making informed decisions

²GAO, *Wildland Fire Suppression: Lack of Clear Guidance Raises Concerns about Cost Sharing between Federal and Nonfederal Entities*, [GAO-06-570](#) (Washington, D.C.: May 30, 2006).

about effective and affordable long-term approaches to addressing the nation's wildland fire problems. Although the agencies concurred with our recommendations, as of January 2007, neither a cohesive strategy nor a tactical plan had been developed.

- ***Clarify their guidance for sharing wildland fire suppression costs with nonfederal entities.*** In 2006, to help address the rising costs of responding to fires that threaten both federal and nonfederal lands and resources, we recommended that the federal agencies, working with relevant state entities, clarify the financial responsibility for these fires and provide more specific guidance as to when particular cost-sharing methods should be used. The method used to share the costs of suppressing a wildland fire among responsible entities can have significant financial consequences for the entities involved—potentially amounting to millions of dollars. The need for clarity about how to share the rising costs of wildland fire protection is becoming more acute as increasing numbers of homes are built in areas at risk from wildland fires. As of January 2007, the agencies were updating guidance on possible methods for sharing costs between federal and nonfederal entities and the circumstances when each method typically would be used. It is unclear, however, how the agencies will ensure that such guidance is followed.
- ***Establish clear goals, strategies, and performance measures to help contain wildland fire costs.*** Preliminary findings from our work under way for this committee indicate that, although the agencies have taken certain steps to help contain wildland fire costs, the effectiveness of these steps may be limited because agencies have not established clear cost-containment goals, strategies to achieve those goals, or effective performance measures to track their progress.

Each of these efforts plays an important role in addressing the issue of containing wildland fire costs, but none of them alone can solve the problem. For cost-containment efforts to be effective, the agencies need to integrate cost-containment goals with the other goals of the wildland fire program—such as protecting life, resources, and property—and to recognize that trade-offs will be needed to meet desired goals within the context of fiscal constraints. Further, because the agencies' efforts to reduce fuels and to prepare for and suppress wildland fires are interrelated, the cohesive strategy we previously recommended for responding to wildland fires is fundamental if agencies are to contain costs.

Background

Wildland fires ignited by lightning are both natural and inevitable and play an important ecological role on the nation's landscape. In addition to maintaining habitat diversity, releasing soil nutrients, and causing the seeds of fire-dependent species to germinate, fire periodically removes undergrowth, small trees, and vegetation that can otherwise build up and intensify subsequent fires. However, various human land use and management practices, including decades of suppressing wildland fires, have altered the normal frequency of fires in many forest and rangeland ecosystems, leading to uncharacteristically dense vegetation and atypical fire patterns in some places. At the same time, more homes and communities are being built in areas where fires can occur, increasing risks to human life, property, and infrastructure. Experts estimate that between 1990 and 2000, 60 percent of all new housing units in the United States were built in the wildland-urban interface, and by 2000, about 38 percent of housing units overall were located in the wildland-urban interface.³ Recent media reports indicate that this trend of growth in the wildland-urban interface continues. Finally, agency analyses indicate that climate change and related drought may also be responsible for significant increases in the occurrence of, and costs of responding to, wildland fire.

Increases in the size and severity of wildland fires, and in the cost of fighting them, have led federal agencies to fundamentally reexamine their approach to wildland fire management. For decades, federal agencies aggressively suppressed wildland fires and were generally successful in decreasing the number of acres burned. In some areas of the country, however, rather than eliminating severe wildland fires, decades of suppression disrupted ecological cycles and began to change the structure and makeup of forests and rangelands, increasing the land's susceptibility to fire. Increasingly, the agencies have recognized the key role that fire plays in many ecosystems and the utility of fire itself as a tool in managing forests and watersheds. The agencies worked together to develop the Federal Wildland Fire Management Policy in 1995, which for the first time formally recognized the essential role that fire plays in maintaining natural systems. This policy was subsequently reaffirmed and updated in 2001. In addition to noting the negative effects of past wildland fire suppression, the policy also recognized that continued development in the wildland-urban interface has placed more values at risk from wildland fire while

³The wildland-urban interface is defined as the area where structures and other human developments meet or intermingle with undeveloped wildland.

increasing the complexity and cost of wildland fire suppression operations.

To help address these trends, the policy directed agencies to consider management objectives and the values at risk when determining how or whether to suppress a wildland fire. Under this approach, termed “appropriate management response,” the agencies may fight fires that threaten communities or other highly valued areas more aggressively than they fight fires in remote areas or in areas where natural fuel reduction would be beneficial. In some cases, the agencies may simply monitor the fire, or take only limited suppression actions, to ensure that it continues to pose little threat to valued resources. Under current interagency policy, local federal units must develop land management and fire management plans that document approved fire management strategies for each acre of burnable land and other important information about how the land will be managed, including local values at risk, needed local fuel reduction, and rehabilitation actions. Once a fire starts, land management and fire management specialists are to identify and implement the appropriate management response, in accordance with the unit’s approved land and fire management plans.

Responding to wildland fires—which can burn across federal and nonfederal jurisdictions—often requires coordination and collaboration among federal, tribal, state, and local firefighting entities to effectively protect lives, homes, and resources. Five federal agencies—the Forest Service within the Department of Agriculture and the Bureau of Indian Affairs, Bureau of Land Management, Fish and Wildlife Service, and National Park Service within the Department of the Interior—fight wildland fires. These federal agencies work together with nonfederal firefighting entities to share personnel, equipment, and supplies and to fight fires, regardless of which entities have jurisdiction over the burning lands. Agreements developed and agreed to by cooperating entities, commonly referred to as master agreements, govern cooperative fire protection efforts and include general provisions for sharing firefighting costs among responsible entities.

Agencies Need a Cohesive Strategy to Address Wildland Fire Problems

Agencies need a cohesive strategy that identifies the available long-term options and associated funding for reducing excess vegetation and responding to wildland fires if the agencies and the Congress are to make informed decisions about an effective and affordable long-term approach for addressing problems that have been decades in the making. We first recommended that the agencies develop such a strategy for addressing fuels in 1999. After we evaluated a number of related wildland fire management issues, we reiterated our recommendation in 2005 and 2006 but also recognized that a comprehensive solution needs to address not only reducing fuels but also an overall response to wildland fire. To develop an effective overall strategy, agencies need to complete several key tasks, which address weaknesses we previously identified.

Our 2005 report summarized several weaknesses in the federal government's management of fuel reduction and related wildland fire programs and identified a number of actions to address these weaknesses.⁴ Specifically, these weaknesses included the following: the agencies lacked basic data, such as the extent and location of lands needing fuel reduction; the agencies needed to identify and prioritize fuel reduction projects; many federal land management units did not have fire management plans that met agency requirements designed to restore fire's natural role in ecosystems consistent with human health and safety; and the agencies were unable to assess the extent to which they were reducing wildland fire risks, to establish meaningful fuel reduction performance measures, or to determine the cost-effectiveness of these efforts because they lacked needed data. We also identified a number of tasks the agencies needed to complete to develop a cohesive strategy. These tasks included finishing data systems that are needed to identify the extent, severity, and location of wildland fire threats in our national forests and rangelands; updating local fire management plans to better specify the actions needed to effectively address these threats; and assessing the cost-effectiveness and affordability of options for reducing fuels and responding to wildland fire problems.

⁴[GAO-05-147](#).

The agencies have made some progress on the three primary tasks we identified as important to developing a wildland fire management strategy, although concerns have been raised about when or whether the agencies will successfully complete them. More specifically,

- LANDFIRE, a geospatial data and modeling system, is being designed to assist the agencies in identifying the extent, severity, and location of wildland fire threats to the nation's communities and ecosystems. LANDFIRE data are nearly complete for most of the western United States, with data for the remainder of the country scheduled to be completed in 2009. The agencies will need to ensure, however, that LANDFIRE data are kept current in order to reflect landscape-altering events, such as large fires and hurricanes, and they do not yet have a plan to do so.
- In 2006, we reported that 95 percent of the agencies' individual land management units had completed fire management plans in accordance with agency requirements promulgated in 2001. However, the agencies do not require regular plan updates to ensure that new data (from LANDFIRE, for example) are incorporated into the plans. Moreover, in the wake of two court decisions—each holding that the Forest Service was required to prepare an environmental assessment or environmental impact statement under the National Environmental Policy Act (NEPA)⁵ to accompany the relevant fire management plan—the Forest Service decided to withdraw the two plans instead of completing them. It is unclear whether the agency would withdraw other fire management plans successfully challenged under NEPA; nor is it clear whether or to what extent such agency decisions could undermine the interagency policy directing that every burnable acre have a fire management plan. Without such plans, however, current agency policy does not allow use of the entire range of wildland fire response strategies, including less aggressive, and potentially less costly, strategies.
- The Fire Program Analysis (FPA) system is a computer-based model designed to assist the agencies in cost-effectively allocating the resources necessary to address wildland fires. FPA is being designed in two phases. Phase I was intended to provide information for use in allocating resources for the initial responses to fires and in developing estimates for agencies' fiscal year 2008 budgets. Phase II was to be focused on

⁵For major federal actions that significantly affect the quality of the human environment, the National Environmental Policy Act requires all federal agencies to analyze the environmental impact of the proposed action. 42 U.S.C. § 4332(2)(C).

additional activities, including fuel reduction and large-fire suppression. A “midcourse review” of FPA, completed in 2006, however, has resulted in recent endorsement by the Wildland Fire Leadership Council⁶ of what may be significant design modifications to FPA—ones that may not fulfill key project goals of (1) optimizing how resources are allocated, (2) linking fuel reduction to future preparedness and suppression costs, (3) ensuring comparability among different agencies’ analyses and resulting decisions, and (4) enabling aggregation of local costs to identify national options and related budgets. Agencies plan to have a prototype of phase II, reflecting this design modification, completed by June 2007. According to a program official, the prototype will enable project managers to assess and report to the leadership council on the planned scope, schedule, and cost of FPA, including whether or not they will meet the scheduled completion date of June 2008. Further, gaps in the data collected for FPA may also reduce its usefulness in allocating resources.

Although the agencies had made progress on these three primary tasks at the time of our 2006 update, they had not developed either a cohesive strategy identifying options for reducing fuels or a joint tactical plan outlining the critical steps, together with related time frames, the agencies would take to complete a cohesive strategy, as we recommended in our 2005 report. In February 2006, the agencies issued an interagency document titled *Protecting People and Natural Resources: A Cohesive Fuels Treatment Strategy*, but we found that the document did not identify long-term options or associated funding for reducing fuels and responding to wildland fires. During our update, officials from the Office of Management and Budget stated that it would not allow the agencies to publish long-term funding estimates until the agencies had sufficiently reliable data on which to base the estimates. The agencies commented that having such data would not be possible until LANDFIRE and FPA were more fully operational. We continue to believe that until a cohesive strategy can be developed, it is essential that the agencies create a tactical plan for developing this strategy, so the Congress understands the steps and time frames involved in completing the strategy.

⁶The Wildland Fire Leadership Council was established in April 2002 to support the implementation and coordination of federal wildland fire management activities. The council includes membership from Agriculture and Interior, as well as the agencies with wildland fire management responsibilities.

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

Federal agencies need to take steps to improve the framework for sharing wildland fire suppression costs between federal and nonfederal entities. Effective sharing of suppression costs among responsible entities can play a role in helping to contain federal expenditures, especially with the growing number of homes in areas at risk from wildland fire that may require protection. We recommended in our 2006 report that federal agencies work with relevant state entities to clarify the financial responsibilities for suppressing fires that burn, or threaten to burn, across multiple jurisdictions and provide more specific guidance as to when particular cost-sharing methods should be used.⁷ As of January 2007, the agencies were updating guidance on options for sharing costs and under what circumstances each would typically be used, but it is unclear how the agencies will ensure that such guidance is followed.

We found that federal and nonfederal entities used a variety of methods to share the costs of fighting wildland fires affecting both federal and nonfederal lands and resources. Agreements between federal and nonfederal entities—known as master agreements—provide the framework for those entities to share suppression costs for wildland fires that burn or threaten both federal and nonfederal lands and resources. These agreements typically list several available cost-sharing methods. The agreements we reviewed, however, often lacked clear guidance for officials to use in deciding which method to apply for a specific fire. Clear guidance is important because local representatives of federal and nonfederal firefighting entities responsible for protecting lands and resources affected by the fire use this guidance in deciding which costs will be shared and for what period. We found, however, that cost-sharing methods were applied inconsistently within and among states, even for fires with similar characteristics. For example, in one state we reviewed, 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 has traditionally 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 applied 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

⁷[GAO-06-570](#).

deployed on particular lands, such as the wildland-urban interface. The type of cost-sharing method ultimately used can have significant financial consequences for the entities involved, potentially amounting to millions of dollars. Moreover, as we reported, federal officials expressed concern that the existing cost-sharing framework insulated state and local governments from the cost of providing wildland fire protection in the wildland-urban interface, thus reducing the incentive for state and local governments to adopt laws—such as building codes that require fire-resistant materials in areas at high risk of wildland fires—that in the long run could help reduce the cost of suppressing wildland fires.

We recommended in our 2006 report that the federal agencies work with relevant state entities to clarify the financial responsibility for fires that burn, or threaten to burn, across multiple jurisdictions and develop more specific guidance as to when particular cost-sharing methods should be used. The federal agencies generally agreed with our findings and recommendations and agreed to improve the guidance on sharing suppression costs. As of January 2007, the agencies were updating guidance that can be used when developing master agreements between cooperating federal and nonfederal entities, as well as agreements on how to share costs for a specific fire. Agency officials said that this guidance provides additional information about potential methods for sharing costs and about the circumstances under which each cost-sharing method would typically be used. It is unclear, however, how the agencies will ensure that the guidance is followed. Further, because master agreements are updated only every 5 years, it may take a number of years before the new guidance is fully incorporated into master agreements between cooperating entities.

Lack of Clear Goals and Cohesive Strategy Hinders Agencies' Efforts to Contain Wildland Fire Costs

Preliminary findings from our ongoing work for the committee show that, despite dozens of federal and nonfederal studies issued since 2000 that consistently identified similar areas needing improvement to help contain wildland fire costs, the agencies have made little progress in addressing these areas. Areas identified as needing improvement to help contain costs—in addition to reducing fuels and cost sharing discussed previously—include acquiring and using firefighting personnel and equipment, selecting appropriate strategies for responding to wildland fires, and effectively managing cost-containment efforts. Although the agencies have begun taking steps to address some of the areas previous studies have identified as needing improvement, much work remains to be done. For example:

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- ***Acquiring and using personnel and equipment.*** The agencies have taken steps to improve their ability to track and deploy personnel and equipment, but they have made little progress in completing the more fundamental step of determining the quantity and type of firefighting assets needed based on an analysis of values at risk and appropriate suppression strategies. Further, although the Forest Service has identified a series of improvements it plans to make in the acquisition process, it has so far made little progress.
 - ***Selecting appropriate suppression strategies.*** The agencies have also begun to improve analytic tools that assist land and fire managers identify the appropriate suppression strategy for a given fire, but shortcomings remain. Federal policies encourage the use of less intensive suppression strategies when possible, strategies that may also be less costly. Land and fire managers, however, may be reluctant to employ anything less than full suppression because of concerns that a fire will escape control. Currently, much of the information managers use to estimate potential fire size, risks, and costs are based on their individual experiences, which can vary widely. Researchers are developing a new suite of tools that will analyze fuel conditions and predicted weather conditions to model expected fire growth and behavior and provide better information for managers making fire response decisions, but as of January 2007, these new tools were still being developed and tested.
 - ***Managing cost-containment efforts.*** The steps the agencies have taken to date to contain wildland fire costs lack several key elements fundamental to sound program management, such as clearly defining cost-containment goals, developing a strategy for achieving those goals, and measuring progress toward achieving them. First, the agencies have not clearly articulated the goals of their cost-containment efforts. For cost-containment efforts to be effective, the agencies need to integrate cost-containment goals with the other goals of the wildland fire program—such as protecting life, property, and resources. For example, the agencies have established the goal of suppressing wildland fires at minimum cost, considering firefighter and public safety and values being protected, but they have not defined criteria by which these often-competing objectives are to be weighed. Second, although the agencies are undertaking a variety of steps designed to help contain wildland fire costs, the agencies have not developed, and agency officials to this point have been unable to articulate, a clear plan for how these efforts fit together or the extent to which they will assist in containing costs. Finally, the agencies are developing a statistical model of fire suppression costs that they plan to use to identify when the cost for an individual fire may have been excessive. The model compares a fire's cost to the costs of suppressing

previous fires with similar characteristics. However, such comparisons with previous fires' costs may not fully consider the potential for managers to select less aggressive—and potentially less costly—suppression strategies. In addition, the model is still under development and may take a number of years to fully refine. Without clear program goals and objectives, and corresponding performance measures to evaluate progress, the agencies lack the tools to be able to determine the effectiveness of their cost-containment efforts.

Conclusions

The federal government is expending substantial effort and billions of dollars in attempting to address our nation's wildland fire problems. Yet despite promises to do so, the agencies still cannot articulate how the steps they are taking fit together to form a comprehensive and cohesive strategy to contain costs or to address the many wildland fire management problems we and others have reported over the last 7 years. Given the interrelated nature of wildland fire issues, they cannot be addressed in isolation but must be viewed from and addressed within a broader perspective. Agencies need to understand how each issue affects the others and determine the trade-offs required to effectively meet program goals while containing program costs. Therefore, if the agencies and the Congress are to make informed decisions about an effective and affordable long-term approach to responding to these issues, agencies need to first develop clearly defined program goals and objectives and a strategy to achieve them, including identifying associated funding. Because it will likely be at least 2009 before the agencies develop a strategy for fuel reduction efforts that would meet standards required by the Office of Management and Budget, we continue to believe that in the interim, it is essential that the agencies create a tactical plan for developing this strategy, so that the Congress understands the steps and time frames involved with its completion. In doing so, the agencies need to make very clear how the final design of FPA will meet the key program goals enumerated here, how and when the agencies will complete all fire management plans, and what schedule they envision for periodically updating LANDFIRE data. At the same time, to help address the rising cost of protecting the growing number of homes built in the wildland urban interface—a cost that may be disproportionately borne by the federal government—federal agencies also need to work with relevant state entities to ensure that appropriate methods are used for sharing the costs of suppressing fires that burn, or threaten to burn, across multiple jurisdictions.

Mr. Chairman, this concludes my prepared statement. I would be pleased to answer any questions that you or other Members of the Committee may have at this time.

GAO Contacts and Staff Acknowledgments

For further information about this testimony, please contact me at (202) 512-3841 or nazzaror@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. David P. Bixler, Assistant Director; Ellen W. Chu; Jonathan Dent; Janet Frisch; Chester Joy; and Richard Johnson made key contributions to this statement.

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