

IN FOCUS

Forest Service: FY2019 and FY2020 Appropriations

The Forest Service (FS) is responsible for managing 193 million acres of land in the National Forest System (NFS); conducting forestry research; and providing assistance to state, local, private, and international forest owners. FS is an agency within the Department of Agriculture, yet it receives discretionary appropriations through the Interior, Environment, and Related Agencies appropriations bill.

FY2019 Discretionary Appropriations

For FY2019, the FS regular discretionary appropriation was \$6.087 billion (P.L. 116-6). Congress provided an additional \$854.3 million to FS in emergency supplemental appropriations (P.L. 116-20), bringing the total to \$6.941 billion. The supplemental funding was provided to address hurricane and wildfire damage (\$134.0 million) and to repay funds transferred from other FS accounts in FY2018 to pay for wildfire suppression (\$720.3 million). P.L. 116-6 specified that appropriations to most FS accounts are to remain available through FY2022.

FY2020 Discretionary Appropriations

The Trump Administration requested \$5.141 billion in FY2020 discretionary appropriations for FS, which included reductions for nearly all FS accounts as compared with FY2019 appropriations. The Administration also requested an additional \$1.950 billion in funding for wildfire suppression through the *wildfire adjustment*, discussed below, for a total request of \$7.090 billion.

Congress appropriated \$7.433 billion in total FY2020 discretionary appropriations for FS (P.L. 116-94), including \$5.483 in regular funding plus the additional \$1.950 billion wildfire adjustment. The law included increases for most FS accounts compared with FY2019 regular appropriations and compared with the Administration's request. In total, FS FY2020 appropriations were 7% higher than FY2019 total appropriations.

Because FY2020 appropriations were not enacted by the start of the fiscal year, two continuing resolutions, P.L. 116-59 and P.L. 116-69, provided continuing appropriations at FY2019 levels prior to enactment of P.L. 116-94.

Wildfire Adjustment/Wildfire Funding Fix

For FY2020, the \$1.950 billion in additional funds was requested pursuant to the wildfire adjustment, a budgetary mechanism established in P.L. 115-141 (Division O, §102(a)), also commonly referred to as the *wildfire funding fix*. This mechanism allows Congress to provide additional funding above a specified baseline for wildfire suppression through an adjustment to the discretionary spending limit. The baseline is the 10-year suppression obligation average, as reported in FY2015 (\$1.011 billion for FS). The wildfire adjustment is available annually from FY2020 through FY2027, although the statutory limits for discretionary spending are currently only in effect through FY2021. The wildfire adjustment is also available for appropriations to the Department of the Interior.

FY2019 FY2020 Supplemental Total Requested Enacted Account Regular Forest and Rangeland Research (FRR) \$300.0 \$1.0 \$301.0 \$254.5 \$305.0 State and Private Forestry (SPF) 335.5 12.0 347.5 182.3 347.0 National Forest System (NFS) 1,938.0 85.0 2,023.0 1,912.8 1,957.5 Capital Improvement & Maintenance (CIM) 431.0 36.0 467.0 434.0 440.0 Land Acquisition (LA) 72.6 0 72.6 0 76.9 Wildland Fire Management (WFM) 3.005.0 720.3 3.725.3 2.350.6 2.350.6 Wildfire Adjustment 1,950.0 1,950.0 Total WFM 3,005.0 720.3 3,725.3 4,300.6 4,300.6] Othera 5.I 0 5.I 6.3 6.4 854.3 7,090.4 7,433.4 Total 6,087.1 6,941.4 [Total without wildfire adjustment 5,140.5 5,483.4]

Table I. Forest Service (FS) Discretionary Appropriations, by Account (\$ in millions)

Sources: P.L. 116-6 Division E; P.L. 116-20 Title VII; FS FY2020 budget justification; P.L. 116-94 Division D.

Notes: Enacted figures reflect rescissions from the SPF account in FY2019 (\$1.5 million) and LA in FY2020 (\$2.0 million), as well as deferrals from the Roads and Trails Fund in CIM in both years (\$15.0 million). Column totals may not add due to rounding.

a. This row includes total FS appropriations to several relatively small accounts, including for specified land acquisition activities; the Range Betterment Fund; gifts, donations, and bequests for research; management of national forest lands for subsistence uses; and in FY2020,

communication site administration. The explanatory statement for P.L. 116-94 did not reflect the Administration's request for communication site administration.

FS's Appropriation Accounts

FS discretionary appropriations were mostly in six accounts (see **Table 1**) and are discussed below in decreasing order of funding. In addition to those six accounts, FS has several other relatively small accounts. These accounts are combined into an "Other" category for this report and include appropriations for specified land acquisition activities; the Range Betterment Fund; gifts, donations, and bequests for research; and management of national forest lands for subsistence uses. In FY2020, "Other" also included funding for communication site administration.

P.L. 116-94 specified that appropriations to most FS accounts are to remain available through FY2023.

Wildland Fire Management (WFM)

The largest share—58% (\$4.301 billion)—of FS appropriations went to the WFM account, which funds activities related to the preparation for and suppression of wildfires. The WFM total appropriation included \$1.340 billion for preparedness activities and \$2.961 billion for suppression operations. The suppression funding included \$1.011 billion as the baseline provided within discretionary spending limits and \$1.950 billion provided through the wildfire adjustment. The total funding included an increase (+15%) in WFM funding from the previous year. Because of the wildfire adjustment, however, the FY2020 funding came at a lower budgetary score than the WFM funding in FY2019. Funds are available until expended.

National Forest System (NFS)

The next-largest amount of FY2020 appropriations—26% of the total (\$1.958 billion)—went to the NFS account. The NFS account funds activities related to the management of the national forests and grasslands, including planning, recreation, grazing, timber production, watershed, wildlife, and law enforcement, among other activities. The FY2020 funding was \$19.5 million (+1%) above the regular-enacted FY2019 level and \$65.5 million (-3%) below the total FY2019 appropriations of \$2.023 billion, which reflects an additional \$85.0 million in emergency-designated supplemental funding. The Hazardous Fuels program received \$445.3 million and was the largest program within the NFS account. Funding for most NFS programs remained relatively constant relative to FY2019 regular appropriations.

Capital Improvement and Maintenance (CIM)

The CIM account funds FS efforts to provide and maintain facilities, roads, trails, and other infrastructure needs across the national forest system. CIM received \$440.0 million in FY2020, 6% of the total FS appropriation. This amount was \$9.0 million (+2%) above the FY2019 regular-enacted total of \$431.0 million but \$27.0 million (-6%) below the total FY2019 funding level, which includes an additional \$36.0 million in emergency-designated supplemental funding. Funding for all CIM programs increased relative to FY2019 regular appropriations.

State and Private Forestry (SPF)

The SPF account funds programs to provide assistance to nonfederal forest owners to protect forests from wildfires, insects, diseases, and invasive plants. SPF received \$347.0 million in FY2020, 5% of the total FS appropriation. This amount was \$10.0 million (+3%) above the regular-enacted FY2019 level but \$0.5 million (-0.1%) below the total FY2019 level, which included \$12.0 million in emergencydesignated supplemental funding. SPF includes the Forest Legacy Program (\$64.0 million), a cost-share grant program that has received appropriations from the Land and Water Conservation Fund (LWCF; 54 U.S.C. §§200301 et seq.). Funding for most SPF programs increased relative to FY2019 regular appropriations.

Forest and Rangeland Research (FRR)

The FRR account funds research and development efforts to provide scientific information and new technologies to support sustainable forest and rangeland management. FRR received \$305.0 million in FY2020, 4% of the FS total appropriation. This amount was \$4.0 million (+1%) more than total FY2019 appropriations.

Land Acquisition (LA)

The LA account provides funds derived from the LWCF for FS to acquire lands for conservation or ownership consolidation, among other purposes. LA received \$76.9 million in FY2020, \$4.3 million (+6%) above FY2019 levels.

Forest Service Budget Restructuring

In response to congressional direction to improve FS accounting, budgeting, and management practices, the Administration requested a budgetary restructuring in FY2020 to establish a FS general management appropriations account. This account would have replaced FS's practice of using cost pools from each account to pay for certain fixed costs and administrative expenses. Both the House- and Senate-passed versions of the FY2020 Interior appropriations bill would have established a Forest Service Operations (FSO) account, but the restructuring was not adopted in the FY2020 enacted appropriations. However, Congress directed the Secretary of Agriculture to establish an FSO account no later than October 1, 2021, and to submit a report to the Appropriations committees detailing the account adjustments (P.L. 116-94 Division D §435).

FY2020 appropriations continued a budgetary restructuring from FY2018; however, that restructuring moved some programs previously funded through WFM to other accounts. For example, Hazardous Fuels was funded in the NFS account, and State Fire Assistance and Volunteer Fire Assistance were funded in the SPF account. The FY2020 appropriations law also did not provide any funding for the FS's FLAME wildfire suppression reserve account for the second consecutive year (FLAME's last funding was provided in FY2018 supplemental appropriations (P.L. 115-72)). The account is set to be terminated after three consecutive years without an appropriation or withdrawal. Katie Hoover, Specialist in Natural Resources Policy

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