

Arizona Department of Forestry and Fire Management

	FY 2024 ACTUAL	FY 2025 ESTIMATE	FY 2026 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	235.5	235.5	235.5
Personal Services	2,457,000	2,100,000	2,403,300
Employee Related Expenditures	880,800	825,000	911,100
Professional and Outside Services	38,000	75,000	75,000
Travel - In State	3,068,300	300,000	300,000
Travel - Out of State	16,800	50,000	50,000
Other Operating Expenditures	608,700	2,238,500	2,163,900
Equipment	59,800	350,000	350,000
OPERATING SUBTOTAL	7,129,400	5,938,500	6,253,300
SPECIAL LINE ITEMS			
Environmental County Grants	250,000	250,000	250,000
Federal Debt Repayment	0	11,180,800 ^{1/}	0
Fire District Grants	4,329,000	0	0
Fire Suppression	3,200,000	38,200,000 ^{2/}	3,200,000 ^{3/}
Hazardous Vegetation Removal	3,005,400	3,039,300	3,039,300 ^{4/}
Inmate Firefighting Crews	844,900	876,600	902,700
Post-Release Firefighting Crews	1,093,000	1,292,700	1,332,700
Nonnative Vegetation Species Eradication	1,000,000	1,000,000	1,000,000 ^{5/}
Northern Arizona Wildland Fire Training Facility	0	0	4,000,000
State Fire Marshal	1,773,100	1,805,300	1,844,400
State Fire School	289,000	289,600	291,700
US Forest Service Land Thinning	915,700	1,669,300	1,703,400
Wildfire Mitigation	12,855,400	27,110,300	27,354,900 ^{6/}
AGENCY TOTAL	36,684,900	92,652,400	51,172,400 ^{7/8/}
FUND SOURCES			
General Fund	36,684,900	51,471,600	47,172,400
<u>Other Appropriated Funds</u>			
Long-Term Water Augmentation Fund	0	41,180,800	4,000,000
SUBTOTAL - Other Appropriated Funds	0	41,180,800	4,000,000
SUBTOTAL - Appropriated Funds	36,684,900	92,652,400	51,172,400
Other Non-Appropriated Funds	69,796,300	71,949,900	71,949,900
TOTAL - ALL SOURCES	106,481,200	164,602,300	123,122,300

AGENCY DESCRIPTION — The Arizona Department of Forestry and Fire Management (DFFM) is responsible for the prevention and suppression of forest fires on State Trust Land and private land outside incorporated municipalities (22 million acres total). The department includes the Office of the State Fire Marshal, which enforces the state fire codes and provides training and education for fire personnel and the general public.

FOOTNOTES

- ^{1/} The appropriation made in this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. (General Appropriations Act footnote)
- ^{2/} A. In addition to any other appropriations made in fiscal year 2024-2025, the sum of \$30,000,000 is appropriated from the long-term water augmentation fund established by section 49-1302, Arizona Revised Statutes, in fiscal year 2024-2025 to the Arizona department of forestry and fire management for wildfire suppression. The department may spend the monies for:
1. Fire suppression and pre-positioning of fire suppression equipment and staff.
 2. Capital expenditures and equipment associated with fire suppression and pre-positioning activities for fire suppression.

3. Mitigation projects to address postfire flooding and other damage that may occur as a result of fires or fire suppression activities.
4. A state or local government agency's emergency liabilities related to emergency sheltering, wraparound services and support activities.
5. Financial assistance to public and private landowners for emergency repairs for infrastructure damage resulting from fires or fire suppression activities.
6. Reimbursement to a state agency or political subdivision for the state agency's or political subdivision's cost share of eligible claims arising from an emergency declared pursuant to section 35-192, Arizona Revised Statutes, or a federal declaration of emergency or major disaster.
- B. The appropriation made in subsection A of this section shall be used to supplement and not supplant any monies allocated by the federal government for this purpose. The department shall seek federal reimbursement as appropriate for expenditures made from this appropriation. Any reimbursements shall be credited to this appropriation.
- C. Before spending any monies from the appropriation made in subsection A of this section on capital projects, the department shall submit its expenditure plans for review by the joint committee on capital review.
- D. Not later than fifteen days after the end of each month, the department shall report to the president of the senate, the speaker of the house of representatives and the joint legislative budget committee on expenditures from and reimbursements to the appropriation made in subsection A of this section for the prior month. Each report shall include, at a minimum, information regarding the total expenditures and reimbursements for each paragraph listed in subsection A of this section and the amount of monies remaining in the appropriation.
- E. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. (General Appropriations Act footnote) The total resources for this line are \$38,200,000 after accounting for the \$8,200,000 appropriation from the original FY 2025 budget.
- 3/ A.R.S. § 37-1305 annually appropriates \$3,000,000 from the General Fund to the Fire Suppression Revolving Fund. Because this authorization is in permanent statute, \$3,000,000 of the appropriated amount is not included in the General Appropriations Act.
- 4/ The appropriation for the hazardous vegetation removal line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, through June 30, 2027. (General Appropriations Act footnote)
- 5/ The sum of \$1,000,000 is appropriated from the state General Fund in each of FY 2021, FY 2022, FY 2023, FY 2024, FY 2025, FY 2026, FY 2027, FY 2028, and FY 2029 to the Arizona Department of Forestry and Fire Management for deposit in the Nonnative Vegetation Species Eradication Fund established by A.R.S. § 37-1309 to assist in preventing wildland fire and flooding. (FY 2020 General Appropriations Act footnote)
- 6/ The appropriation for the wildfire mitigation line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2028. (General Appropriations Act footnote)
- 7/ Notwithstanding section 35-190, Arizona Revised Statutes, the \$65,000,000 appropriated to the Arizona department of forestry and fire management by Laws 2022, chapter 313, section 38 in fiscal year 2022-2023 for wildfire emergency response is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2028. (General Appropriations Act footnote)
- 8/ General Appropriations Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

Operating Budget

The budget includes \$6,253,300 and 43 FTE Positions from the General Fund in FY 2026 for the operating budget. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$314,800 from the General Fund in FY 2026 for statewide adjustments. Of this amount, \$303,300 is for a 15% salary increase for firefighters. *(Please see the Agency Detail and Allocations section.)*

Environmental County Grants

The budget includes \$250,000 from the General Fund in FY 2026 for Environmental County Grants. This amount is unchanged from FY 2025.

Monies in this line item have been used by Greenlee, Graham, Gila, Navajo, Cochise and Apache Counties for environmental projects that impact economic development in those counties. Previously funded projects included forest restoration, endangered species habitat protection, watershed restoration, and natural resource planning. DFFM must approve any project prior to expenditure of the monies.

Federal Debt Repayment

The budget includes no funding in FY 2026 for Federal Debt Repayment. Adjustments are as follows:

Remove One-Time Supplemental Funding

The budget includes a decrease of \$(11,180,800) from the Long-Term Water Augmentation Fund in FY 2026 for removal of one-time supplemental funding for federal debt repayment.

In the FY 2026 General Appropriations Act, the Legislature appropriated \$11,180,800 one-time from the Long-Term Water Augmentation Fund as an FY 2025 supplemental. The Legislature stipulated that the monies must be used to repay debts incurred to the federal government in the course of wildfire suppression activities and made the monies non-lapsing.

Fire Suppression

The budget includes \$3,200,000 from the General Fund in FY 2026 for Fire Suppression. Adjustments are as follows:

Remove One-Time Funding

The budget includes a decrease of \$(35,000,000) in FY 2026 for removal of one-time fire suppression funding. This amount consists of:

General Fund	\$(5,000,000)
Long-Term Water Augmentation Fund	(30,000,000)

In the FY 2026 General Appropriations Act, the Legislature appropriated \$30,000,000 one-time from the Long-Term Water Augmentation Fund for fire suppression as an FY 2025 supplemental and made the monies non-lapsing.

Monies in this line item are used for fire suppression on state trust land and rural private land. A.R.S. § 37-1305 provides an annual appropriation of up to \$3,000,000 from the General Fund for fire suppression. Because this authorization is in permanent statute, only \$200,000 of the appropriated amount is included in the General Appropriations Act. (*See Wildfire Mitigation line item for additional monies supporting fire suppression in Arizona.*)

Hazardous Vegetation Removal

The budget includes \$3,039,300 from the General Fund in FY 2026 for a Hazardous Vegetation Removal program. This amount is unchanged from FY 2025.

This line item supports hazardous material removal programs that treat state and private lands through

prescribed burning or thinning of flammable vegetation. This work can be conducted by DFFM crews or through fuel reduction grants to contractors.

Inmate Firefighting Crews

The budget includes \$902,700 and 13 FTE Positions from the General Fund in FY 2026 for Inmate Firefighting Crews. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$26,100 from the General Fund in FY 2026 for statewide adjustments.

These monies provide firefighting training for 12 inmate fire crews. The crews act as first responders and are used for fuel treatment and fire suppression.

Post-Release Firefighting Crews

The budget includes \$1,332,700 and 20 FTE Positions from the General Fund in FY 2026 for Post-Release Firefighting Crews. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$40,000 from the General Fund in FY 2026 for statewide adjustments.

Monies in this line item provide firefighting training for recently released inmates who previously participated in Inmate Firefighting Crews (*see Inmate Firefighting Crews line item*). The Post-Release Firefighting Program allows program participants to work towards completing their wildland firefighting certification following release from Department of Corrections custody.

Nonnative Vegetation Species Eradication

The budget includes \$1,000,000 from the General Fund in FY 2026 for the Nonnative Vegetation Species Eradication line item. This amount is unchanged from FY 2025.

The FY 2020 General Appropriations Act appropriated \$1,000,000 from the General Fund to DFFM to deposit in the Nonnative Vegetation Species Eradication Fund in each fiscal year of FY 2021 through FY 2029. Because these monies were advanced appropriated in the FY 2020 General Appropriations Act, these appropriations will not appear in subsequent General Appropriations Acts.

Monies in this line item are used to provide grants to other state agencies, cities, towns, counties, Indian tribes, and other political subdivisions and nonprofit organizations to fund projects that will assist in the prevention of wildfires and flooding and promote

restoration of wildlife habitats by removing nonnative vegetation and replacing it with native vegetation. Saltcedar plants are an example of a nonnative vegetation species.

Northern Arizona Wildland Fire Training Facility

The budget includes \$4,000,000 from the Long-Term Water Augmentation Fund in FY 2026 for a Northern Arizona Wildland Fire Training Facility. Adjustments are as follows:

Establish New Facility

The budget includes a one-time increase of \$4,000,000 from the Long-Term Water Augmentation Fund in FY 2026 to establish a new wildfire suppression training facility near Flagstaff.

Monies in this line item fund the construction of a new operational base for the Flagstaff Fire Department's Wildfire Management Division and provide wildfire suppression training for local and regional firefighters. In addition to the state-level appropriation, the City of Flagstaff has allocated \$650,000 to design the facility.

State Fire Marshal

The budget includes \$1,844,400 and 19.5 FTE Positions from the General Fund in FY 2026 for the State Fire Marshal. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$39,100 from the General Fund in FY 2026 for statewide adjustments.

The Office of the State Fire Marshal enforces the state fire codes and provides training and education for fire personnel and the general public.

State Fire School

The budget includes \$291,700 and 1 FTE Position from the General Fund in FY 2026 for the State Fire School. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$2,100 from the General Fund in FY 2026 for statewide adjustments.

Monies in this line item primarily subsidize smaller rural volunteer fire departments attending Arizona State Fire School workshops which provide firefighting education. Besides \$200,000 for subsidizing these costs, the remaining \$91,700 and 1 FTE Position is used for liaison

work with the Arizona State Fire Training Committee and other firefighter training activities.

US Forest Service Land Thinning

The budget includes \$1,703,400 and 17 FTE Positions from the General Fund in FY 2026 for the US Forest Service Land Thinning line item. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$34,100 from the General Fund in FY 2026 for statewide adjustments.

Monies in this line item fund administrative costs for partnerships with the U.S. Forest Service to thin forests on federal land. DFFM anticipates clearing about 4,500 acres with this funding.

Wildfire Mitigation

The budget includes \$27,354,900 and 122 FTE Positions from the General Fund in FY 2026 for the Wildfire Mitigation line item. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$244,600 from the General Fund in FY 2026 for statewide adjustments.

Monies in this line item are to be used for personnel, operating costs, equipment, and contracted services to mitigate future fires. The FY 2026 appropriation is non-lapsing through June 30, 2028. In FY 2025, DFFM expended a total of \$16,413,200 from this line item as follows:

- \$7,158,000 for 122 DFFM staff to oversee the work of 10 crews of 72 inmates working to remove hazardous vegetation.
- \$832,300 for inmate crews and corrections staff.
- \$3,888,100 for Department of Transportation program costs, general operating costs, and other equipment and maintenance.
- \$2,486,600 for contracted personnel to support wildfire mitigation efforts.
- \$2,048,200 for external project grants.

(See the Wildfire Mitigation section of the DFFM narrative in the FY 2023 Appropriations Report for more information on prior appropriations to this line item.)

Other Issues

FY 2025 Supplementals

The FY 2026 budget includes the following FY 2025 supplemental appropriations:

- \$11,180,000 from the Long-Term Water Augmentation Fund to repay debts owed to the federal government for wildfire suppression activities. *(Please see the Federal Debt Repayment line item for further details.)*
- \$30,000,000 from the Long-Term Water Augmentation Fund to increase the department's fire suppression appropriation. *(Please see the Fire Suppression line item for further details).*

Statutory Changes

The Environment Budget Reconciliation Bill makes the following statutory changes:

- As permanent law, amends A.R.S. §37-1311(M) to specify that fees charged to public power and electric utilities for the approval of wildfire mitigation plans shall be deposited into the Cooperative Forestry Fund.

Budget Stabilization Fund Use for Processing Wildland Fire Claims

A.R.S. § 35-144 authorizes DFFM to use up to \$20,000,000 in Budget Stabilization Fund (BSF) monies to pay wildland fire suppression claims.

DFFM coordinates the dispatch of local fire districts in response to wildland fires occurring on federal land. Expenditures incurred by local districts are paid for by DFFM using monies from the BSF. DFFM then requests reimbursement from its cooperating federal partners. Federal reimbursements are provided to the State Treasurer to be deposited into the BSF.

As of July 21, 2025, DFFM reports using \$13,812,890 in BSF capacity for claims awaiting federal reimbursement. *(See the Budget Stabilization Fund Use for Processing Wildland Fire Claims section of the DFFM narrative in the FY 2021 Appropriations Report for more information on DFFM's use of the BSF.)*