

Allocation of Wildfire Special Session Funding
Arizona Department of Forestry and Fire Management
Program Summary

Program Overview

The Department of Forestry and Fire Management (DFFM) was appropriated \$75,000,000 from the General Fund in FY 2021 pursuant to Section 1 of Laws 2021, 1st Special Session, Chapter 1. As a condition of this appropriation, the department is required to limit their spending of these monies to 6 purposes related to ongoing efforts to mitigate wildfires. Another condition of this appropriation requires that the department submit a monthly report detailing its expenditures in each of the 6 spending categories permitted by the statute.

The 6 categories of spending to which the department is permitted to allocate funds are as follows:

- Fire suppression and pre-positioning of fire suppression equipment and staff
- Capital expenditures and equipment associated with fire suppression and pre-positioning activities for fire suppression
- Mitigation projects to address post-fire flooding and other damage that may occur as a result of fires or fire suppression activities
- A state or local government agency's emergency liabilities related to emergency sheltering, wraparound services and support activities
- Financial assistance to public and private landowners for emergency repairs for infrastructure damage resulting from fires or fire suppression activities
- 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 A.R.S. § 35-192, or a federal declaration of emergency or major disaster

In addition to limiting the spending of the appropriated monies to these 6 categories of spending, 2 constraints were imposed on individual categories. The department may not spend more than \$10,000,000 for capital expenditures, and \$10,000,000 for financial assistance to landowners.

Expenditures

DFFM submitted its latest report on June 15, 2022, reporting the following expenditures by category through May 2022 as shown in *Table 1*:

	<u>Suppression</u>	<u>Capital</u>	<u>Mitigation</u>	<u>Liabilities</u>	<u>Assistance</u>	<u>Cost Share</u>	<u>Total</u>
June	4,507,336						4,507,336
July	2,239,749	897,168	234,349				3,371,266
August	4,252,915		1,047,808				5,300,723
September		1,590,000	580,591				2,170,591
October	3,812,194	511,763	1,015,011		20,995		5,359,963
November		441,238	658,863				1,100,101
December	56,954	1,198,489	1,615,183				2,870,626
January			322,178				322,178
February	270,354	943,176	1,326,002				2,539,532
March	(678,511)	124,119	566,368				11,976
April	(753,182)	156,299					(596,883)
May	28,838	32,744	1,121,576		226,952		1,410,110
Total YTD	13,736,647	5,894,996	8,487,929	0	247,947	0	28,367,519

DFFM reported net expenditures of \$1,410,110 in May 2022. Total expenditures have reached \$28,367,519; the remaining balance of funds from the appropriation is \$46,632,481. These expenditures do not reflect all commitments made by DFFM, which reports total encumbrances of \$42,110,015 to date.