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. The FY 2023 budget appropriated another $65,000,000 from the General Fund, the FY 2025 budget included a further $30,000,000 from the Long-Term Water Augmentation Fund, and the FY 2027 budget includes $10,000,000 from the General Fund, all for the same purposes as the FY 2021 appropriation. As a condition of these appropriations, 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 from each of the 4 appropriations. The FY 2023 appropriation also specified that $3,000,000 of that appropriation had to be used for purposes related to the Woodbury Fire, and the FY 2025 appropriation included a provision requiring DFFM to submit any capital project plans funded out of the appropriation to the Joint Committee on Capital Review for review prior to spending any monies.

Expenditures

DFFM submitted its latest report on October 14, 2026, reporting the following expenditures by category through September 2026 as shown in *Table 1* on the following page.

Through September 2026, total expenditures have reached $153,879,011, an increase of $3,214,519 from the previous report. The remaining balance of funds from all 4 appropriations is $26,120,989. These expenditures do not reflect all commitments made by DFFM, which reports additional encumbrances of $13,906,290 to date, a decrease of $(551,166) from the previous report. After adjusting for total encumbrances, the remaining balance of funds would be $12,214,699.

Table 1

Wildfire Expenditures

	FY 2021 Appropriation	FY 2023 Appropriation	FY 2025 Appropriation	FY 2027 Appropriation	Total
Total Appropriation	**$75,000,000**	**$65,000,000**	**$30,000,000**	**$10,000,000**	**$180,000,000**
Expenditures by Category					
Fire Suppression	$19,000,000	$20,000,000	$27,510,625	$1,407,658	**$67,918,283**
Capital	8,395,929	9,637,011	0	0	**18,032,940**
Wildfire Mitigation	23,839,141	35,000,000	0	0	**58,839,141**
Emergency Liabilities	0	0	0	0	**0**
Landowner Assistance	9,088,647	0	0	0	**9,088,647**
Cost Share	0	0	0	0	**0**
Total Expenditures	**$60,323,717**	**$64,637,011**	**$27,510,625**	**$1,407,658**	**$153,879,011**
Encumbrances	$13,671,692	$234,598	$0	$0	**$13,906,290**
Unencumbered	$1,004,591	$128,391	$2,489,375	$8,592,342	**$12,214,699**

Prepared by Nate Belcher, Senior Fiscal Analyst