



### **Pay now to reduce fires, or pay more later**

Reducing the severity and frequency of wildfires in the West is going to take much time and money, but failing to do so will be even more costly, speakers told the Wildfires and Disaster Preparedness Committee at the CSG West Annual Meeting in July.

That could include more prescribed burning, commercial logging, and cutting down trees that cannot be sold. Forests are integral to life in the West. Many people live in or near forests, and almost half of the region's water originates on national forest system lands.

“The real answer is to get our fires burning less severely,” said Chris French, the acting Associate Chief of the Forest Service. “Change ... the way our relationship is with our forests and our communities, and that can be everything from zoning to the way that we defend those forests, to actually get them back to a place that makes people feel safe and want to be a part of why they moved there and not necessarily scared of the potential of what could come from there.”

Committee members are addressing land management practices that can reduce the risk and severity of fires, including partnering with federal agencies and exploring ways to encourage making homes more fire resistant. These things are important as the cost to put fires out is soaring each year, placing a burden on states and the federal government.

“The costs associated with that far outstrip the investments you need to do upfront,” French said. “I will tell you that my experience on the hill and others is that there is a bipartisan recognition of that very issue.

“Frankly, there is not enough money to go around to do the type of work that's actually needed right now, and it's going to take a long time to get there,” French said.

## **Partner Up**

But states, tribes, and local governments can enter agreements with federal land managers to do some of the work. Those agreements may include a combination of federal and other funding sources but also may include proceeds from timber sales.

“They're on the ground. They have people in place. They can go out and do the real treatment,” Kris Kirby, the Wyoming State Director for the Bureau of Land Management said. “So huge advocate from me.”

## **Paying Later**

Once a wildfire starts and burns, the bills just keep coming.

Responding to a fire can cost states and local governments plenty, said Lynn Budd, Wyoming's Director of Homeland Security. There are some grants available for that, but the larger costs of the fires are often not paid for by Federal Emergency Management Agency, she said. Disasters like hurricanes and floods often destroy more structures.

While fires may not destroy as many homes and businesses, insurance companies view the risk differently, said Marc Ragin an associate professor and insurance expert at the University of Georgia.

A flood destroys all the homes it touches, but several factors can spread fire far and wide, increasing the aggregation risk. Fires ravaging entire communities are driving insurance premiums skyward all over the country to the point that some people cannot obtain insurance at all.

Doing work in the forest to reduce the risk and severity of fire is part of the solution, as is making homes more resilient to fire.

“So, here's the opportunities,” said Dean Cameron, the Idaho Insurance Commissioner and former state senator. “Mitigation, mitigation, mitigation that is huge. Look for ways to do mitigation to arm people's homes, to fortify their homes so that they can avoid the forest fires.”

Governments can increase mitigation in several ways, Ragin said. Limiting development in high-risk areas, enacting and enforcing building codes for structures in high-risk areas, and taking advantage of grants and programs that help fund fuel reduction and other measures.

But a new way of insuring homes against wildfire also may be an option.

Changes in the way people get insurance may incentivize people to harden their homes against wildfire risk. Community-based catastrophe insurance means the community

creates its own risk pool against fire. As each resident pays into the pool, the incentive is to do work that would reduce the risk. If a fire occurs, the insurance will pay. But as the pool grows, the money pays for more mitigation.

The idea is that everyone in the community is rowing in the same direction, Ragin said, and being accountable to their neighbors, not government regulations.

“They're saying, I need to protect my neighbors” Ragin said, “I need to protect my own home.”