



**DEPARTMENT OF
NATURAL RESOURCES**

**OFFICE OF THE COMMISSIONER
OF PUBLIC LANDS**

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To: Wildland Fire Advisor Committee (WFAC) and Forest Health Advisory Committee (FHAC)

From: Cody Rohrbach, WFAC Member, and Janene Ritchie, FHAC Member

CC: Russ Lane, Wildland Fire Management Division Manager; Jennifer Watkins, Forest Resilience Division Manager; George Geissler, Deputy Supervisor - Wildland Fire Management; Alex Smith, Deputy Supervisor - Forest Resilience, Regulations, and Aquatic Resources

Date: February 24, 2023

Re: Recommendations from the Joint Workgroup on Wildfire Response, Forest Restoration, and Community Resilience Account “Unallocated” Fund Disbursement Advisement

Background:

An ad hoc joint work group (Work Group) composed of members from the Wildland Fire Advisory Committee (WFAC) and the Forest Health Advisory Committee (FHAC) was established in September 2022 via a Joint Tasking Memo (Attachment 1) to make recommendations to the Commissioner of Public Lands regarding programmatic improvements and funding allotments associated with the “unallocated” portion of the Wildfire Response, Forest Restoration, and Community Resilience Account (Account) authorized by 2SHB 1168 (2021-22) in preparation for review and final adoption by WFAC and FHAC.

Members included:

FHAC MEMBERS		WFAC MEMBERS	
Mike Baden	WA State Cons. Commission	Carlene Anders	Okanogan Long Term Recovery
Matt Comisky	American Forest Resource Council	Tony Craven	Suncadia Resort Forestry & Firewise
Travis Dutton	WA Assoc. Counties	Chris Martin	WA Rx Fire Council
Mike Kuttel, Jr.	WA Dept. Fish & Wildlife	Cody Rohrbach	Spokane Co. Fire District 3
Elaine O’Neil	WA Farm Forestry Assoc.	William Slossan	WA State Patrol
Janene Ritchie	Pinchot Partners	KC Whitehouse	Central Mason Fire & EMS
Terra Rentz	Co-Chair, DNR	Loren Torgerson	Co-Chair, DNR

Work Group members met through a series of virtual meetings throughout the months of November, December, and January to learn more about DNR’s programs and how they contribute to the 20-Year Forest Health Strategic Plan: Eastern Washington (20-Year Plan), Washington Wildland Fire Protection 10-Year Strategic Plan (10-Year Plan), and Forest Action Plan (FAP; DNR’s three Strategic Plans). Staff provided an extensive programmatic “deep dive” for each DNR program, ensuring consistent and in depth understanding was gained by all members regarding program purpose, performance, financial history, barriers, opportunities, and goals.

The Work Group then convened in-person on January 25th & 26th, 2023 to balance programmatic budget requests with available funding and subcommittee priorities.

The initial budget request from DNR to fully fund the Account for 2023-2025 included: (1) \$94.8 million in a maintenance-level request as part of DNR’s carry forward budget, (2) \$25.2 million for direct disbursement through DNR’s existing pass-thru programs with dedicated funds for grant program management (\$453k); and (3) an endorsement of a direct appropriation to the State Conservation Commission (\$5 million). At the time of meeting, the Governor’s proposed budget included approximately \$25.2 million in funding for DNR and SCC, as compared to the \$30.2 million requested. Given the uncertainty in what the final state budget would be, the committee worked under two scenarios: a full funding scenario of \$30.2 million and a partial funding scenario of \$25.2 million.

Under both scenarios, the funds earmarked for grant program management and the State Conservation Commission were deducted from the total amount left for allocation; leaving a remaining allocation of \$24,747,000 under a “high water” scenario, and \$19,747,000 under a “low water” scenario for the Work Group to make allocation recommendations.

All members of the Work Group worked collaboratively and the group reached consensus on allocations for both scenarios. Consideration was given to how programs contribute to DNR’s three Strategic Plans as well as how forest restoration, community resilience, and wildland fire management intersect with and influence one another across the landscape.

HB 1168 establishes sideboards for the Account. Specifically, the bill states that the [Account] may only be used to monitor, track, and implement the following purposes:

- (a) **Fire preparedness activities** (also known as **wildfire response**) constant with the goals contained in the state’s [10-Year Plan] including, but not limited to, funding for firefighting capacity and investments in ground and aerial firefighting resources, equipment, and technology, and the development and implementation of a wildland fire aviation support plan in order to expand and improve the effectiveness and cost-efficiency of the department's wildland fire aviation program;
- (b) **Fire prevention activities** (also known as **forest restoration**) to restore and improve forest health and reduce vulnerability to drought, insect infestation, disease, and other threats to healthy forests including, but not limited to, silviculture treatments, seedling development, thinning and prescribed fire, and post-fire recovery activities to stabilize and prevent unacceptable degradation to natural and cultural resources and minimize threats to life and property resulting from the

effects of a wildfire. Funding priority under this subsection must be given to programs, activities, or projects aligned with the [20-Year Plan], the [10-Year Plan], and the 2020 [FAP] across any combination of local, state, federal, tribal, and private ownerships;

- (c) **Fire protection activities** (*also known as* **community resilience**) for homes, properties, communities, and values at risk including, but not limited to: Potential control lines or strategic fuel breaks in forests, rangelands, and communities; improved warning and communications systems to prepare for wildfires; increased engagement with non-English speaking communities in their home language for community preparedness; and the national fire protection association's FirewiseUSA™ and the fire-adapted communities network programs to help communities take action before wildfires.

Funds were distributed categorically across Wildfire Preparedness, Forest Restoration (Fire Prevention), and Community Resilience (Fire Protection); with a minimum required distribution, per HB 1168, of 25% for Forest Restoration, and 15% for Community Resilience. Emphasis was placed on deliverables, and the relative cost of each new unit a program produces which allowed the work group to clearly link program costs to outcomes.

In addition to fund distribution recommendations, the work group also identified qualitative funding recommendations that are encouraged for use and consideration as new funds or positive variances become available.

Finally, the work group provided a thoughtful evaluation of programmatic information provided by DNR staff and developed a suite of suggestions and recommendations for consideration by both the Wildland Fire Management Division and the Forest Resilience Division to improve program efficiencies, transparency, equity, and delivery.

Quantitative Funding Disbursement Recommendations for the Commissioner of Public Lands:

The Work Group makes the following disbursement recommendation under a high or full funding scenario, which assumes DNR receives the full appropriation request of \$25,200,000. Dollar amounts in parentheses represent total funding, including those funds currently planned for use in DNR’s carry forward allotment:

PROGRAM NAME	Previous Budget 2021-23 BN	WORK GROUP RECOMMENDATIONS - HIGH END					
		Dollar Amount	% Acct.	% Fire Prep.	% Fire Prev.	% Fire Prot.	Biennial Deliverables
Building Forest Partnerships	\$430,000	\$430,000	1%		100%		8-10 Forest Collaboratives Supported
EWA Service Forestry Financial Asst.	\$5,783,600	\$1,640,000 (\$7,840,000)	6%		60%	40%	12,000 Acres Treated 2 new SF Specialists (NRS2) hired
WWA Service Forestry Financial Asst.	\$2,000,000	\$1,275,000 (\$1,875,000)	4%		60%	40%	1,500 Acres Treated
All-Lands Direct Investment	\$2,600,000	\$3,290,000 (\$3,690,000)	11%		100%		4,480 Acres Treated
Rx Fire Implementation Direct Investment	\$1,500,000	\$2,100,000 (\$2,500,000)	7%		60%	40%	1,500 EWA Acres Treated 250 WWA Acres Treated 2 new Rx Fire Reg Coordinators hired
Post-Fire Recovery Direct Investment	\$1,000,000	\$1,250,000	4%		50%	50%	1,000 Acres Treated
Operational Grants to Fire Districts	\$1,750,000	\$6,120,500	21%	100%			\$6.1M delivered
Fire District Asst. Phase 1 & 2 Grants	\$600,000	\$1,500,000	5%	100%			\$1.5M delivered
Fire District Asst. Surplus Engine	\$1,450,000	\$2,880,000	10%	100%			40-50 Engine Transferred
Community Micro Grants-FirewiseUSA™ Sites	\$435,000	\$1,100,000	4%			100%	220 Firewise Actions Implemented
Wildfire Preparedness Community Response	\$1,525,000	\$1,780,000	6%		10%	90%	1,000 Wildfire Risk Assessments 40 Community Events 40 Engaged Communities 12 Marketing Surges
Conservation District Community Response	\$850,000	\$0.00	0%			100%	None

Equity and Inclusion Grants for Wildfire Preparedness	\$1,230,000	\$896,500	3%			100%	100 Wildfire Risk Assessments 7 Community Events 40 Engaged Communities 70 People Trained to work with LatinX 1 New LatinX Curriculum
Capacity and Leadership Building	\$160,000	\$485,000	2%			100%	300 People Trained 6 Workshops Held 1 New Curriculum Developed
State Conservation Commission Appropriation	\$0.00	\$5,000,000	17%		50%	50%	N/A
TOTAL	\$21,313,600	\$29,747,000		\$10,500,500	\$10,032,000	\$9,214,500	
Percent by Category				35.30%	33.72%	30.98%	
MIN Percent HB1168				N/A	25%	15%	
Total DNR	\$21,313,600	\$24,747,000		\$10,500,500	\$7,532,000	\$6,714,500	

TOTAL Unallocated Request		\$30,200,000
DNR's Unallocated Request		\$25,200,000
Governor's Allocation for DNR		\$20,200,000
DNR Grant Program Management		\$453,000
AVAILABLE FUNDS		\$24,747,000

The Work Group makes the following recommendation under a low or partial funding scenario, which assumes DNR receives an appropriation equivalent to what was identified in the Governor’s Budget of \$20,200,000. Dollar amounts in parentheses represent total funding, including those funds currently planned for use in DNR’s carry forward allotment:

PROGRAM NAME	Previous Budget 2021-23 BN	WORK GROUP RECOMMENDATIONS - LOW END					
		Dollar Amount	% Acct.	% Fire Prep.	% Fire Prev.	% Fire Prot.	Biennial Deliverables
Building Forest Partnerships	\$430,000	\$430,000	2%		100%		8-10 Forest Collaboratives Supported
EWA Service Forestry Financial Asst.	\$5,783,600	\$0.00 (\$6,200,000)	0%		60%	40%	10,250 Acres Treated
WWA Service Forestry Financial Asst.	\$2,000,000	\$1,275,000 (\$1,875,000)	5%		60%	40%	1,500 Acres Treated
All-Lands Direct Investment	\$2,600,000	\$2,400,000 (\$2,800,000)	10%		100%		3,400 Acres Treated
Rx Fire Implementation Direct Investment	\$1,500,000	\$900,000 (\$1,300,000)	4%		60%	40%	750 EWA Acres Treated 250 WWA Acres Treated 1 new Rx Fire Reg Coordinator hired
Post-Fire Recovery Direct Investment	\$1,000,000	\$1,000,000	4%		50%	50%	750 Acres Treated
Operational Grants to Fire Districts	\$1,750,000	\$5,740,500	23%	100%			\$5.7M delivered
Fire District Asst. Phase 1 & 2 Grants	\$600,000	\$1,500,000	6%	100%			\$1.5M delivered
Fire District Asst. Surplus Engine	\$1,450,000	\$2,880,000	12%	100%			40-50 Engine Transferred
Community Micro Grants-FirewiseUSA™ Sites	\$435,000	\$500,000	2%			100%	100 Firewise Actions Implemented
Wildfire Preparedness Community Response	\$1,525,000	\$1,780,000	7%		10%	90%	1,000 Wildfire Risk Assessments 40 Community Events 40 Engaged Communities 12 Marketing Surges
Conservation District Community Response	\$850,000	\$0.00	0%			100%	None

Equity and Inclusion Grants for Wildfire Preparedness	\$1,230,000	\$896,500	4%			100%	100 Wildfire Risk Assessments 7 Community Events 40 Engaged Communities 70 People Trained to work with LatinX 1 New LatinX Curriculum
Capacity and Leadership Building	\$160,000	\$445,000	2%			100%	300 People Trained 4 Workshops Held 1 New Curriculum Developed
State Conservation Commission Appropriation	\$0.00	\$5,000,000	20%		50%	50%	N/A
TOTAL	\$21,313,600	\$24,747,000		\$10,120,500	\$7,313,000	\$7,313,500	
Percent by Category				40.90%	29.559%	29.55%	
MIN Percent HB1168				N/A	25%	15%	
Total DNR	\$21,313,600	\$19,747,000		\$10,120,500	\$4,813,000	\$4,813,500	

TOTAL Unallocated Request		\$30,200,000
DNR's Unallocated Request		\$25,200,000
Governor's Allocation for DNR		\$20,200,000
DNR Grant Program Management		\$453,000
AVAILABLE FUNDS		\$19,747,000

Qualitative Funding Recommendations for the Commissioner of Public Lands:

The Work Group identified the following qualitative recommendations to inform the use of newly available funds or positive variance. The order of these recommendations do not represent prioritization, but may be considered for appropriate sequencing:

Recommendation: The Work Group acknowledges the Governor’s budget contains a direct appropriation to the Washington State Conservation Commission. *Should that allocation not be maintained in the final budget the Work Group recommends that funding to the Conservation District Community Response program be restored.*

Recommendation: The Work Group acknowledges that many programs require baseline staff capacity to improve efficiencies and to provide the necessary foundation for delivery of funds to partners and to set up projects. As such, *the Work Group recommends DNR invest in the necessary personnel required to ensure staff burnout is minimized and project deliverables are maximized.* This is particularly important to support Prescribed Fire planning and implementation as well as delivery of the Service Forestry Financial Assistance agreements with private landowners. *Where staffing has been identified as a primary barrier to achieving deliverables, the Work Group recommends these investments are prioritized.*

Recommendation: The needs of Fire Districts and community wildfire response will always be high as long as Washington State continues to experience uncharacteristically severe fire seasons. *The Work Group recommends, when possible, prioritizing investments towards preventative programs that address Forest Restoration and/or Community Resilience.*

Recommendation: Community-centric leadership is critical in ensuring robust participation in wildfire response, wildfire preparedness, and forest restoration planning and implementation. While currently representing the smallest total allocation, *the Work Group recommends increased investments in programs that support capacity and leadership development such as the Building Forest Partnerships Program and the Capacity and Leadership Development Program (via Community Resilience).*

Recommendation: The Work Group recognizes that DNR is likely to sustain high demand for operational grants to fire districts due to a consistent and ever-growing demand for improved fire response equipment and to retire old and unserviceable equipment. Additionally, the Work Group recognizes that DNR has the ability to rapidly and efficiently spend dollars associated with Operation Grants to Fire Districts. As such, *the Work Group recommends that end of year positive variances associated with HB 1168 within the Wildland Fire Management Division be directed to Operational Grants to Fire Districts.*

Recommendation: The Work Group recognizes that All-Lands Direct Investment provides the most nimble opportunity for delivery of forest restoration resources and can span multiple landownerships and objectives. As implementation time allows, *the Work Group recommends that end of year positive variances associated with HB 1168 within the Forest Resilience Division be directed to All-Lands Direct Investments.*

Programmatic Improvement Recommendations for Wildland Fire Management and Forest Resilience ***Division Managers:***

As a direct outcome of programmatic deep dives, the Work Group identified a suite of programmatic improvements aimed to improve transparency, collaboration, accessibility, equity, and delivery.

Open consultation and iterative discussion is recommended to occur between Division and Program staff with each appropriate Advisory Committee to facilitate the transformation of recommendations into actions, including for the following purposes:

- To seek clarity or additional contextual detail on specific recommendations.
- To vet new policies, procedures, or methods of prioritization.
- To provide independent review of new products, application forms and processes, or supporting outreach and communication material.
- To request service and participation of members in various review committees or consultative work groups to facilitate effective integration of programmatic improvements as needed. Should additional ad hoc workgroups be desired, program staff may request such support through the form of a Tasking Memo, submitted to the committee chair after Division Manager approval.

The Work Group makes the following recommendations by Program:

Building Forest Partnerships Program

- Employ programmatic goals other than acres treated or acres planned which are more reflective of outcomes for which collaboratives have greater direct influence.
- Encourage development of programmatic goals and quantify proposed and completed products that reflect more tangible outcomes than “meetings held”.
- Request Forest Collaboratives to update websites to highlight what work is being accomplished or occurring, and specifically work as a result of a BFP Grant.

Service Forestry Financial Assistance Statewide

- When there are challenges in one region spending financial assistance resources, we recommend routine coordination across the program statewide to move resources from one region to another.
- Track and report data on forest projects completed in a manner that provides a measure of impact to community protection and forest resilience. Consider tracking:
 - Average, maximum, and minimum treatment sizes
 - Measurement of cohesiveness and adjacency of projects
- Complete assessment of project efficacy for meeting community protection and forest resilience objectives.

Eastern WA Service Forestry Financial Assistance Program

- Work to prioritize allocations to specifically deliver the 20-Year Plan with targeted activities within priority landscapes - transition from “acres treated” to “strategic acres treated”. This includes increasing existing efforts to proactively identify areas to treat, considering larger acreages and contiguous neighboring properties to strategically reduce risk and increase

resiliency in a priority landscape. This may come at the cost of meeting every request across eastern Washington when funds and capacity are limited.

- Create a transition plan to improve site selection for cost-share funds.
- Evaluate current assurances to safeguard against the use of cost-share funds as a mechanism to facilitate development.

Western WA Service Forestry Financial Assistance Program

- Conduct research to identify how long treatment activities last and what the required return for future treatment may look like.
- Take advantage of collaboration with other partners serving small forest landowners in the area, including WSU Extension.

All-Lands Direct Investments

- Document where community input is informing decisions and bring “community input” into the selection and decision making process more readily.

Prescribed Fire Direct Investments

- Moderate any increases in treatment acres until appropriate staffing can be achieved and programmatic implementation barriers are addressed (prescribed fire strategic planning process).
- Increase messaging about the difference between prescribed and permit burns and why permit burns may be shut down while prescribed burns are not.
- Increase public education about the value of prescribed fire.
- Increase investments that get more plans on the shelf.
- Continue enhanced cross-collaboration with Wildfire Management Division
- Identify a nexus and strategy for use of camps, corrections, and WCC crews.

Post-Fire Recovery Direct Investments

- Develop a process for utilizing camp, offender, and WCC crews for this work.
- Prioritize completing a programmatic/strategic plan for post-fire recovery that will inform the role of these funds in post-fire recovery (i.e. at what point in the post-fire recovery continuum are these funds available, what actions qualify for these funds, etc).
- Maintain a flexible program and that fills a niche that other funding sources do not.
- There may be a need to increase the funds through this program in future bienniums after the program is established. Monitor and revisit this with the advisory committees.

Operational Grants to Fire Districts

- Clarify the use of funds at the field/localized level
- Develop a clear assessment of the need to inform and drive funding levels as current processes seem to present challenges with how current funding needs are derived.
- Recommend requiring some level of match, such as 10%, versus match-free funding, but provide a match-waiver for low income or historically marginalized fire districts.

Fire District Assistance Phase 1 & 2 Grants

- None

Fire District Surplus Engine Program

- Create transparency and educational information regarding how the funding for transfer of engines occurs.
- Develop an assessment to evaluate the current state of engines and DNR's current mileage and retirement rate. Use this assessment to inform future budget allotments.

Community Micro Grants-FirewiseUSA™ Sites

- None

Wildfire Preparedness Community Response

- Target resources at the community level (as opposed to individual level) to coalesce work to improve efficacy and efficiency.
- Make home/community resilience assessments available to wildland fire responders.
 - Consider the need for making assessments dynamic.
- Measure actual impact of outreach marketing to inform and improve outreach efficacy.
- Develop system for managing, updating and making available Potential Operating Delineation (PODs) planning so that there is a comprehensive and up-to-date PODs planning database that is readily accessible for resiliency project planning and funding and for wildland fire response by first responders and incident management teams.

Equity and Inclusion Grants for Wildfire Preparedness

- Prioritize efforts to hire multilingual staff to facilitate outreach to non-English speaking people.
- Develop outreach beyond Spanish speaking communities to include other languages.

Capacity and Leadership Development Program

- Work to clarify how training will occur and what maximum head counts per training may be to keep training effective.
- Where possible, work to secure additional investments for capacity and leadership building.

All Programs:

- Continue efforts to integrate equity and environmental justice considerations, evaluative tools, and processes into all programs.
- Improve DNR's overall website and online information presence regarding the totality of funding opportunities offered through this fund source and the methodology and/or point of contact for application.
- Improve information sharing of what is being done with the funding and the results, includes accomplishments and changed conditions.
- Improve understanding and transparency regarding the role of alternative fund sources that may either be integrated into these programs or result in the delivery of similar goals, objectives, or deliverables on the landscape to better understand the totality of funds to improve future prioritization exercises for this fund source.

ATTACHMENT 1: Joint Workgroup Tasking Memo (9/9/2022)

To: Terra Rentz, Chair, Forest Health Advisory Committee (FHAC)
Allen Lebovitz, Chair, Wildland Fire Advisory Committee (WFAC)

CC: Jen Watkins, Forest Resilience Division Manager
Russ Lane, Wildland Fire Management Division Manager
Loren Torgerson, Wildland Fire Policy Advisor
FHAC and WFAC Committee Members

From: Alex Smith, Deputy Supervisor – Forest Resilience, Regulations, and Aquatic Resources
George Geissler, State Forester and Deputy Supervisor – Wildland Fire Management

Date: September 9, 2022

Subject: Joint Workgroup Tasking Memo for Wildfire Response, Forest Restoration, and Community Resilience Account “unallocated” fund disbursement advisement

Attached: August 2022 Joint Committee Memo

Title: Joint Workgroup on Wildfire Response, Forest Restoration, and Community Resilience Account “unallocated” fund disbursement advisement

Requested By: Alex Smith, Dep. Sup. FRRAR; George Geissler, State Forester and Dep. Sup. WFM

Task Leaders: Terra Rentz, Strategic Advisor, FRRAR; Loren Torgerson, Wildland Fire Policy Advisor

1. Overview: Specific topics of the Forest Health Advisory Committee (FHAC) and Wildland Fire Advisory Committee (WFAC) may benefit from more focused, small group discussions. A Joint Work Group from both Committees is proposed to complete in-depth review and provide advice on the Wildfire Response, Forest Restoration, and Community Resilience Account (*hereafter* the Account) “unallocated” fund disbursement (*hereafter* the Account Joint Workgroup (AJW)). The purpose of this document is to provide an overview of the objectives, work products, and timeline for the AJW. Any work products, recommendations, or other input will be communicated jointly to the full FHAC and WFAC for approval before being finalized for review by the Commissioner of Public Lands and the Washington Department of Natural Resources (DNR) leadership.

2. Intent: The intent of this task is to jointly engage the FHAC and WFAC to provide recommendations to the DNR concerning program-level improvements of relevant DNR programs that provide ability to pass-thru funding to implementation partners, and general advisement on the relative distribution of unallocated funds from the Account to support the stated goals and objectives of the Account and [2SHB 1168](#) for the 2023-2025 biennium.

3. Background: See August 2022 Committee Memo

4. Purpose: 2SHB 1168 established a new Account and identified the FHAC and WFAC as key partners in informing the use of this Account and the distribution and prioritization of funds. The bill includes a number of activities that are eligible for funding through the Account with funding priority

given to programs, activities, or projects aligned with the 20-Year Forest Health Strategic Plan, Washington State Wildland Fire Protection 10-Year Strategic Plan, and Washington Forest Action Plan (*hereafter* DNR Strategies) across any combination of local, state, federal, tribal, and private ownership.

The purpose is to employ expertise, knowledge, and constituent connections of FHAC and WFAC in the policy-level review of relevant DNR programs that can provide pass-thru to other partners to support delivery of DNR's Strategies and provide recommendations to DNR Programs and the Commissioner of Public Lands including (i) recommending program-level improvements to accessibility, transparency, selection criteria and project prioritization, reporting, and monitoring, (ii) identification of critical gaps that inhibit effective solicitation of key projects or the ability to address novel approaches to forward DNR Strategies, and (iii) recommending appropriate funding levels and relative prioritization to ensure effective delivery of pass-thru program objectives.

5. Task Description: Gain an in-depth understanding of relevant DNR programs that provide pass-thru capability utilizing DNR-staff provided program characterization information and staff-led program presentations to garner knowledge on the following aspects of each program:

- Program purpose;
 - Program targets and objectives
 - Relationship to and ability to deliver on DNR Strategies;
 - Current processes for addressing environmental justice and equity;
 - Current processes for access and solicitation transparency;
 - Scoring and/or prioritization factors and criteria;
 - Deliverable and outcome monitoring; and
 - Funding, including historic and current levels, and potential alternative funding sources.
- A. Specific to each program, evaluate and make recommendations for use by DNR staff for:
- i. Program-level improvements or enhancements to ensure consistent and transparent access, solicitation, selection/ranking criteria, monitoring and reporting, and to maximize effectiveness of the allocation of funds to partners to achieve the objectives and goals of the Strategies.
 - ii. Improved funding accessibility and transparency to Tribes for applicable pass-thru programs.
 - iii. How to better integrate environmental equity considerations into program criteria or processes.
- B. Assess and identify gaps in existing DNR pass-thru programs to highlight where potential novel restoration, resilience, and/or preparedness proposals do not have an available funding pathway, and recommend potential solutions.
- C. Develop funding distribution recommendations for pass-thru levels through these programs that include:
- i. Identify base funding levels to achieve program targets and outcomes;

- ii. To the greatest extent possible with the information available, take into account potential alternative funding sources that may provide additive support to the pass-thru program;
- iii. Effectively prioritize funding allotments from the Account to those programs with the greatest need and highest priority for outcome delivery.

6. Timeline:

- October-December 2022: Convene AJW at a bi-weekly frequency to gain a robust understanding of pass-thru programs, utilizing DNR-staff provided materials, deep dive presentations, and dedicated time with DNR program staff.
- December 2022-February 2023: Develop program-specific recommendations for use by DNR staff to improve delivery of pass-thru function in programs. Provide recommendations, via the full committee to DNR Division Leadership.
- February – March 2023: Complete gap assessment and develop funding distribution recommendations. Provide recommendations, via the full committee to DNR Leadership (AJW Adjourns).
- March – May 2023: DNR leadership directs program staff to evaluate and implement relevant recommendations to pass-thru program operations and processes, and makes preliminary funding level recommendations to programs.
- May – July 2023: DNR staff finalize recommendations within programs, informed by the AJW, and provide to the Commissioner of Public Lands for final decision.

7. Assigned to: For consideration by the full WFAC and FHAC, with specific elements of the task and first draft deliverables to be completed by the assigned Joint Workgroup. The entire WFAC and FHAC shall be included in making key decisions and approval of final products.

8. Joint Workgroup Composition and Expectations: The AJW shall be composed of members of both the FHAC and WFAC, with initial solicitation occurring at the September 13 and 15 Committee meetings respectively; requests to participate are due no later than Thursday, September 22, 2022. The AJW shall convene with an introductory meeting in October with a frequency of no less than one meeting every other week through December. Subsequent meetings shall occur January through March at a frequency of no less than twice monthly.

9. Products to be generated: A report providing analysis and recommendations on the identified topics.

10. Final Disposition: The report is to be delivered to George Geissler and Alex Smith for staff use in the development of final recommendations for the Commissioner of Public Lands.

11. Due Date: Final Report – March 31, 2023; Interim report with program-specific enhancement recommendations due February 24, 2023

**WILDFIRE RESPONSE, FOREST RESTORATION, AND
COMMUNITY RESILIENCE ACCOUNT**

JOINT ADVISORY COMMITTEE MEMO

August 2, 2022

This briefing memo outlines a proposed approach for allocating pass-thru funding from the Wildfire Response, Forest Restoration, and Community Resilience Account (Account) and engaging the Forest Health Advisory Committee (FHAC) and the Wildland Fire Advisory Committee (WFAC) to brief them on the proposed carry-forward and pass-thru budgets and solicit their recommendations regarding the alignment of the budgets with Wildland Fire Protection 10-Year Strategic Plan, the 20-Year Forest Health Strategic Plan: Eastern Washington, and the Washington State Forest Action Plan.

The Funds

- The operating understanding, based on legislative intent, is that the account will receive \$125M per biennium for four biennia.
- It is understood that Legislative intent was to align DNR's maintenance funding level from the account with expenditures identified in the fiscal note submitted with the bill in 2021. OFM has clarified that the maintenance funding level described in the fiscal note is \$94.5M for the 2023- 25 biennia.
- OFM has expressed support that the remaining \$30.5M in the account this biennia be allocated to organizations that complete specific work for successful implementation of the Wildland Fire Protection 10-Year Strategic Plan, the 20-Year Forest Health Strategic Plan: Eastern Washington, and the 2020 Forest Action Plan.
- DNR's Executive Management, in discussion with OFM, has set a standard that DNR's maintenance level request and the \$30.5M unallocated allotment will both *independently* satisfy the minimum percent threshold requirements for the bill (25% minimum for Forest Restoration and 15% minimum for Community Resilience).
- OFM has suggested that all funds within this account to non-state entities be administered by DNR and will be requested as part of DNR's Decision Package process for the 23-25BN. Other state agencies may all serve as the administrator for pass-through funding from the account.
- DNR has identified that existing pass-thru programs, including but not limited to Voluntary Fire Assistance Grants, Operational Grants to Fire Districts, Landowner Assistance Cost-Share, All-Lands Direct Investments, Community Resilience Mitigation Grants, and Building Forest Partnerships Grants are the most effective and transparent mechanisms to administer and disburse funds to both state and non-state entities.

The Account Behavior

- No new funding source has been identified for the account at this time. The account will currently function as a GF-S Receipt Account (i.e. the funding source is GF-S).

- The current understanding is that the Account will be a Biennial allocation, and not a Fiscal Year allocation. This means that funds will be allocated for a full 2-year expenditure timeframe, and not bound by a single fiscal year.

How Funds are Requested

- While multiple state and non-state entities are identified as potential recipients for Account expenditures, non-state agencies require a state sponsor for their budget requests.
- State agencies are understood to be authorized to request expenditures through their own agency budget request process. Agencies are encouraged to provide full transparency to the Committees on their requests to ensure they are in full alignment with the sideboards of the Account.
- DNR shall serve as the sponsor entity for all non-state requests, except in the instance of Conservation Districts, which we propose be consolidated with the allocation to the Washington State Conservation Commission (WSCC) and be coordinated through that agency.

The Role of WFAC and FHAC

- 2SHB1168 provides for soliciting “*the forest health advisory committee...and the wildland fire advisory committee...to provide recommendations for investments*” on the account. Therefore, DNR is interpreting this direction to transparently share and solicit feedback on the agency’s use and delivery of maintenance funds from the account, and solicit both committees advice on the utilization of “pass-thru funds”.
- Expenditures from the account may be made to: state agencies, tribes, local governments, fire and conservation districts, nonprofit organizations, forest collaboratives, and small forest landowners. This is through various operational program expenditures and contracting work for specific projects.
- Due to the ability of other state agencies to both request and directly receive funds from the legislature, OFM has indicated all other state-agency requests can be made directly by those agencies. However, OFM advised that DNR be made aware of all other state agency requests to the Account. While the legislative intent is to provide \$125 million in ongoing biennial funding for four biennium, it does not preclude DNR or other state agencies from asking for new funds if some significant need/opportunity were to arise.
- We believe it is the role and responsibility of the Committees to:
 1. Understand and provide feedback on the criteria, process, and accessibility of DNR programs that “pass-thru funds” will ultimately flow through to organizations. For competitive grant programs, this includes feedback to the content, timing, and advertisement of requests for proposals. For direct investments, this includes review and feedback of the decision tree for projects suitability, prioritization, and feasibility.
 2. Seek, identify, and review potential requests for 2023-25 HB 1168 “pass-thru funds” and determine the following as a recommendation to DNR:
 - Is the request consistent with the 20-year Forest Health Strategic Plan: Eastern Washington, the Wildland Fire Protection 10-Year Strategic Plan, *or* the Washington State Forest Action Plan?
 - If yes, are the proposed needs “fundable” under the confines of the account? Or more specifically, is the proposal to **monitor**, **track**, or **implement**:

- Fire preparedness activities including, but not limited to: (1) firefighting capacity and investments in ground and aerial firefighting resources; (2) equipment or technology; (3) development and implementation of a wildland fire aviation support plan.
- Fire prevention activities to restore and improve forest health and reduce vulnerability to drought, insect infestation, disease, and other threats to a health forest including, but not limited to: (1) silviculture treatments, (2) seedling development, (3) thinning, (4) prescribed fire, (5) post fire recovery
- Fire protection activities for homes, properties, communities, and values at risk including, but not limited to: (1) potential control lines in forests and rangelands near communities; (2) improved warning and communications systems to prepare for wildfires; (3) increased engagement with non-English speaking communities; and (4) National Fire Protection Association’s Firewise USA and the Fire-adapted Communities Network programs to help communities take action before wildfires.
- What DNR pass-thru funding program(s) would be appropriate to consider this request for funding, and based on committee feedback are the funding levels for this program adequate to address the scale of need?

PROPOSED PROCESS

On May 10, 2022 the FHAC issued a tasking memo to convene a small workgroup to develop a process proposal for assessing the use of and distribution of unallocated funds within the account (as they relate to Forest Restoration). The workgroup met twice along with support from Wildland Fire Management Division policy staff and DNR’s Budget Director, and developed the following proposal which has been vetted with DNR Executive Management. While the primary focus was on Forest Restoration, at the request of the agency the proposal was inclusive enough to be applied to both Fire Preparedness and Fire Protection activities. That proposal involves first identifying the state-agency allocation to be taken “off the top”, and then a robust process to evaluate and recommend funding increases to specific DNR pass-thru programs for distribution to external partners.

Specifically, the process includes the following:

Step 1: Complete discussions with state agencies that will play a direct role in implementing the wildland fire and forest health strategic plans to determine the level of funding requested from this biennia’s remaining funds.

Step 2: Subtracting those direct requests for other state agencies establish the level of funding available from the account if fully funded at \$125M for other cooperating organizations, and identify the required minimum distribution among Forest Restoration and Community Resilience activity areas.

Step 3: Develop a holistic decision package that provide process flexibility and that will include:

- A joint statement endorsing state agency requests and their contribution to Washington’s integrated strategy to accomplish the 20-Year Forest Health Strategy: Eastern Washington, 10-Year Wildland Fire Protection Strategy, and Washington State Forest Action Plan.
- An articulation of what is included in DNR’s maintenance level (carry-forward) request.

- A description of DNR’s applicable pass-thru programs, allowable recipients, and associated deliverables, accompanied with language that all remaining unallocated funds will be delivered via these programs.
- A description of DNR’s process for evaluating DNR’s pass-thru programs, identification of need for pass-thru investment by review of initial requests for funding and other recommendations, and prioritizing where those remaining funds should be distributed.

Step 4: Utilizing the cumulative expertise of both the WFAC and FHAC, conduct a robust review of DNR’s existing pass-thru programs and mechanisms to:

- a. Clearly understand which DNR programs are available to fund specific activities;
- b. Recommend to DNR programmatic and communication based improvements to pass- thru programs to improve transparency, establish clear criteria for prioritization, and to accelerate allocation of funds to outside entities;
- c. Evaluate and make recommendations to DNR to improve funding accessibility and transparency to Tribes;
- d. Evaluate and make recommendations to DNR on how to better integrate environmental equity considerations into pass-thru program criteria and/or processes;
- e. Identify gaps in existing DNR pass-thru programs to highlight where potential novel restoration, resilience, and preparedness proposals do not have a suitable funding pathway, and recommend potential solutions; and
- f. Understand if and where additional investments in specific pass-thru programs may require additional DNR capacity to implement;
- g. Recommend, based on current deliverables and goals, funding levels for each pass-thru program including if the funding levels should be maintained, increased, or decreased, and the relative priority of each pass-thru program for stakeholders.

This process will be kicked off with an initial letter to members of the FHAC and the WFAC that outlines the current thinking and approach to 1168 funding. Following, Chairs will convene a joint Q&A meeting of the FHAC and WFAC in early August to provide a briefing of the current process

TIMELINE FOR ACHIEVING PARTNERSHIP OUTCOMES

- Now-August 19, 2022: DNR staff work to develop a holistic decision package that includes a description of the pass-thru program review and prioritization process. Staff communicate with Advisory Committees and conduct necessary outreach to tribes for participation.
- August-December, 2022: Advisory Committees conduct pass-thru program QA/QC to identify gaps and make recommendations for prioritization and program/process improvements.
- January-April, 2023: Staff, with assistance from advisory Committees, make necessary program/process improvements and establish clear solicitation processes.
- April-June, 2023: Solicitation for projects and funding needs initiated by DNR; recipient selection.