

At a Glance

S. 479, Fire Suppression and Response Funding Assurance Act

As ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on March 29, 2023

By Fiscal Year, Millions of Dollars	2023	2023-2028	2023-2033
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	0	24	55
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?	No
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

The bill would

- Authorize the Federal Emergency Management Agency (FEMA) to cover up to 100 percent of total costs when providing fire management assistance grants to state and local governments

Estimated budgetary effects would mainly stem from

- Increasing the share of costs that the federal government would cover for fire management assistance grants

Areas of significant uncertainty include

- Estimating the total amount of assistance that FEMA and state and local governments will provide for fire management assistance grants
- Estimating how often FEMA would choose to increase the federal share of costs, and what percentage of costs the agency would cover

Detailed estimate begins on the next page.

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



Bill Summary

S. 479 would authorize the Federal Emergency Management Agency (FEMA) to use funds appropriated for disaster relief to increase the federal cost share from the current 75 percent up to 100 percent for fire management assistance grants, at the agency’s discretion. Under the bill, FEMA also would be required to promulgate a rule establishing guidelines and thresholds for cases in which the federal cost share for such grants may be increased.

Estimated Federal Cost

The estimated budgetary effect of S. 479 is shown in Table 1. The costs of the legislation fall within budget function 450 (community and regional development).

Table 1. Estimated Budgetary Effects of S. 479													
By Fiscal Year, Millions of Dollars												2023- 2028	2023- 2033
2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033			
Increases in Spending Subject to Appropriation													
Estimated Authorization	0	3	5	5	6	6	6	6	6	7	7	25	57
Estimated Outlays	0	3	5	5	5	6	6	6	6	6	7	24	55

Basis of Estimate

For this estimate, CBO assumes that the bill will be enacted late in fiscal year 2023 and that FEMA would begin providing additional assistance in 2024. CBO’s estimate of outlays in each year is based on historical patterns of spending under the fire management assistance grant program.

Spending Subject to Appropriation

CBO estimates that S. 479 would authorize the appropriation of \$57 million over the 2024-2033 period and implementing it would cost \$55 million over the same period, assuming appropriation of the estimated amounts.

Additional Cost Share. Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, FEMA awards fire management assistance grants to state and local governments to control fires when the President has declared that an uncontrolled fire would constitute a major disaster. Under current law, the federal cost share covers 75 percent of eligible expenses and state, local, and tribal governments are responsible for the remaining 25 percent. Over the 2018-2022 period, FEMA obligated a total of nearly \$1.1 billion for those grants; states paid an additional \$350 million—or 25 percent of total costs.



The President declared more than 125 major disasters in fiscal years 2019 and 2020. Under current law, FEMA has the discretion to increase the federal cost share under the Public Assistance Program to greater than 75 percent if the agency determines that the effects of a disaster are sufficiently severe—typically, if per capita damages in a jurisdiction exceed specified levels. Among those 125 declarations, FEMA covered 90 percent of costs for 7 percent of declarations and covered 100 percent of costs for 4 percent of declarations; FEMA paid 75 percent of costs for the remaining 89 percent of those declarations.¹ Using information from FEMA and in keeping with the agency’s response to the broader set of recent disasters, CBO expects that the agency would cover a similar percentage of costs for fire management assistance grants under the bill.

Under current law, CBO estimates that federal and state spending on fire management assistance grants will total about \$3.1 billion over the 2023-2033 period, of which FEMA will pay \$2.3 billion. Under the expectation that FEMA would increase its share of costs from 75 percent to 90 percent or to 100 percent at the same frequency as prior disasters, CBO estimates that FEMA’s costs would increase by \$3 million in 2024, with that cost rising to \$7 million in 2033. Assuming appropriation of the estimated amounts, CBO estimates that implementing the bill would increase spending by \$55 million over the 2023-2033 period.

Required Rulemaking. S. 479 would require FEMA to complete a rulemaking to establish the criteria and thresholds—such as per capita damages in a jurisdiction—under which the agency would recommend that a higher federal share be provided. Under current law, FEMA principally uses per capita damage indicators, tailored to each state or local jurisdiction, to determine whether to increase cost shares. CBO expects that FEMA would complete that rulemaking in early 2024 and that related administrative costs would total less than \$500,000; any spending would be subject to the availability of appropriated funds.

Uncertainty

This estimate is subject to considerable uncertainty. Because S. 479 would increase how much the federal government could pay for disasters, the cost of the legislation would principally depend upon how much FEMA allocates in response to qualifying fire disasters. CBO’s estimate of the bill’s costs is informed by historical data about spending under the fire management assistance grant program and FEMA’s actions in other types of disasters, but the ultimate amounts that FEMA will cover are difficult to predict. Those costs will be determined by the frequency and severity of future fires, as well as by decisions made by the agency about how much assistance to provide. Based on the needs of recipient communities in the future, if FEMA decided to increase or decrease the amounts allocated to the

1. The federal government paid 100 percent of costs for an additional 59 disaster declarations made for the coronavirus pandemic. Because of the unusual nature of the pandemic, for the purposes of this estimate, CBO excluded those declarations when projecting how often FEMA would increase cost shares for fire management assistance grants.



program—or the proportion of costs the federal government covers—spending under S. 479 would, in turn, be higher or lower than CBO estimates.

Pay-As-You-Go Considerations: None.

Increase in Long-Term Net Direct Spending and Deficits: None.

Mandates: None.

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