



HOUSE COMMITTEE ON  
**NATURAL RESOURCES**  
CHAIRMAN BRUCE WESTERMAN

**To:** Subcommittee on Federal Lands Republican Members  
**From:** Subcommittee on Federal Lands Staff: Aniela Butler ([Aniela@mail.house.gov](mailto:Aniela@mail.house.gov)) and Brandon Miller ([Brandon.Miller@mail.house.gov](mailto:Brandon.Miller@mail.house.gov)); x6-7736  
**Date:** Monday, February 2, 2026  
**Subject:** Oversight Hearing on “*Fix Our Forests: The Need for Urgent Action One Year After the L.A. Wildfires*”

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The Subcommittee on Federal Lands will hold an oversight hearing on “*Fix Our Forests: The Need for Urgent Action One Year After the L.A. Wildfires*”.

The hearing will take place on **Tuesday, February 3, 2026, at 10:15 a.m.**, in room 1324 Longworth House Office Building.

Member offices are requested to notify Will Rodriguez ([Will.Rodriguez@mail.house.gov](mailto:Will.Rodriguez@mail.house.gov)) by 4:30 p.m. on Monday, February 2, 2026, if their Member intends to participate in the hearing.

## I. KEY MESSAGES

- Just over one year ago, devastating wildfires in the Los Angeles area destroyed entire communities, homes, and businesses; tragically claimed 31 lives; and became one of the costliest disasters in world history.
- Without urgent action, thousands of additional communities risk sharing the same fate as the Palisades, Altadena, and Pasadena, California.
- Not only can proactive forest management prevent many of these disasters from occurring in the first place, but it can also lower the cost of living for millions of Americans by making homes, insurance, and utility bills more affordable.
- Wildfire is fast; bureaucracy is slow. To prevent wildfires, protect communities, and improve forest health, Congress must send the bipartisan Fix Our Forests Act to the President’s desk—before the next preventable tragedy strikes.

## II. WITNESSES

### Panel I (Outside Experts)

- **The Honorable Steven Crowder**, Mayor, Paradise, CA
- **Mr. John Clarke Mills**, CEO and Co-Founder, Watch Duty, Healdsburg, CA
- **Mr. Robert Gordon**, Senior Vice President of Policy, Research & International, American Property Casualty Insurance Association, Washington, D.C.
- **Dr. David Calkin**, Principal, Calkin Wildfire Consulting LLC, Missoula, MT [*Minority Witness*]

### III. BACKGROUND

#### *Overview: The 2025 L.A. Wildfires*



An Altadena, California neighborhood pictured on January 19, 2025, (top picture) versus on December 27, 2025 (bottom picture). This neighborhood burned during the Eaton Fire, which ignited in the Angeles National Forest. **Source:** Getty, 2025.

Angeles area had been scorched, and 31 people had tragically lost their lives.<sup>5</sup>

Just over one year ago, in January 2025, a series of wildfires ignited in Southern California, becoming among the most destructive and costly in U.S. history.<sup>1</sup> Over the course of a few short hours on January 7, 2025, the largest of these fires, the Palisades and Eaton Fires, virtually leveled significant portions of the Palisades, Altadena, and Pasadena communities.<sup>2</sup> Fueled by dense, dry vegetation and hurricane-strength winds, these fires razed 16,246 structures, including homes, schools, churches, grocery stores, and businesses.<sup>3</sup> The damage was so extensive that the Los Angeles County Sheriff reported that affected neighborhoods looked “like an atomic bomb dropped in these areas.”<sup>4</sup> After a long 25 days, the fires were fully contained, but not before entire neighborhoods had been reduced to rubble, 59 square miles (37,760 acres) across the greater Los

<sup>1</sup> Kristian Forst, “The 2025 Wildfires: Lessons and Key Recommendations,” Independent Institute, January 7, 2026, <https://www.independent.org/article/2026/01/07/the-2025-los-angeles-wildfires-lessons-and-key-recommendations/>.

<sup>2</sup> “A year after the LA wildfire disaster, key numbers show how it unfolded and the toll left behind,” PBS News, January 7, 2026, <https://www.pbs.org/newshour/nation/a-year-after-the-la-wildfire-disaster-key-numbers-show-how-it-unfolded-and-the-toll-left-behind>.

<sup>3</sup> *Id.*

<sup>4</sup> “‘Like an atomic bomb’: Los Angeles wildfires devour thousands of homes,” Reuters, January 10, 2025, <https://www.dawn.com/news/1884308>.

<sup>5</sup> *Id.*

More than one year post-fire, the visible and non-visible scars of this catastrophe remain plainly evident. Of the more than 200,000 people forced to evacuate during the fires, approximately 70 percent remain displaced and “have not returned to their homes.”<sup>6</sup> Financially, 80 percent of the displaced residents who had insurance at the time of the fires reported “serious challenges with their carriers,” roughly half reported they “depleted a significant portion of their savings,” and 43 percent reported taking on debt as mortgage forbearance programs terminate.<sup>7</sup> According to Joy Chen, executive director of the Eaton Fire Survivors Network, residents are “seeing huge gaps between money insurance is paying out, to the extent [they] have insurance, and what it will actually cost to rebuild.”<sup>8</sup> Perhaps most astonishing is the sluggish rebuilding pace, a major source of criticism among L.A. Fire survivors. A combination of delayed and insufficient insurance payouts, cumbersome permitting processes, prolonged claims processes, and underinsurance have left many homeowners unable to begin reconstruction.<sup>9</sup> More than 17,000 homes and residences were destroyed during the fires, and incredibly, only 10 homes have been rebuilt in L.A. County to date.<sup>10</sup> Fewer than 600 homes and businesses have begun construction, leaving 96 percent of structures still untouched.<sup>11</sup>

## **The Need for Urgent Action**

### *Continued Fire Risk in the Wildland-Urban Interface*

Both the short- and long-term wildfire threats to communities remain extremely high. Across the country, more than one billion acres are at risk of wildland fire, and 44 million homes are at risk in the wildland-urban interface (WUI).<sup>12</sup> Since 2005, over 129,000 structures have been destroyed in U.S. wildfires, leading to an untold number of deaths and enormous personal losses.<sup>13</sup> There was a 246 percent increase in the number of homes and properties destroyed between 2010 and 2020 when compared to the prior decade.<sup>14</sup> Alarmingly, eight of the top 10 most destructive wildfires all occurred in the past decade.<sup>15</sup> Entire communities in the path of

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<sup>6</sup> James Rainey, “For fire victims, it’s a new year but the same old nightmare,” LA Times, January 6, 2026, <https://www.latimes.com/california/newsletter/2026-01-06/essential-california-one-year-fire-anniversary>.

<sup>7</sup> *Id.*

<sup>8</sup> Alex Veiga & Gabriela Aoun Angueira, “Less Than a Dozen Homes Have Been Rebuilt a Year After LA Wildfires,” Insurance Journal, January 9, 2026, <https://www.insurancejournal.com/news/west/2026/01/09/853663.htm>.

<sup>9</sup> Chris Clark, “It’s been one year since the LA wildfires destroyed thousands of homes, but fewer than a dozen have been fully rebuilt. What’s taking so long?,” Money Wise, January 14, 2026, <https://moneywise.com/insurance/home/its-been-one-year-since-the-la-wildfires-destroyed-thousands-of-homes-but-fewer-than-a-dozen-have-been-fully-rebuilt-whats-taking-so-long>. Amand Macias & William La Jeunesse, “One year after LA fires, politicians’ promises of permits appear paltry,” Fox News, January 6, 2026, <https://www.foxnews.com/politics/one-year-after-la-fires-politicians-promises-permits-appear-paltry>.

<sup>10</sup> *Id.*; Renee Cho, “It’s Been One Year Since Wildfires Devastated Los Angeles. What Have We Learned?,” State of the Planet, January 12, 2026, <https://news.climate.columbia.edu/2026/01/12/its-been-one-year-since-wildfires-devastated-los-angeles-what-have-we-learned/>.

<sup>11</sup> *Id.*

<sup>12</sup> Testimony of Christopher French, Deputy Chief, U.S. Forest Service, before the Senate Energy and Natural Resources Committee, June 24, 2021, <https://www.energy.senate.gov/services/files/AAF7DF40-2A47-4951-ADA4-4B124AD3894F>; Miranda H. Mockrin, “Where humans and forests meet: The rapidly growing wildland-urban interface,” U.S. Forest Service, May 14, 2025, <https://research.fs.usda.gov/nrs/articles/where-humans-and-forests-meet-rapidly-growing-wildland-urban-interface>.

<sup>13</sup> Kimiko Barrett, “Wildfires destroy thousands of structures each year,” Headwaters Economics, May 2025, <https://headwaterseconomics.org/natural%20hazards/structures-destroyed-by-wildfire/>.

<sup>14</sup> Philip E. Higuera, *et al.*, “Shifting social-ecological fire regimes explain increasing structure loss from Western wildfires,” PNAS Nexus, March 2023, <https://academic.oup.com/pnasnexus/article/2/3/pgad005/7017542>.

<sup>15</sup> Time period references 2016-2025. *Id.*

uncontrollable megafires have been literally leveled, erasing homes, businesses, and entire neighborhoods.

The 2025 L.A. Fires are the latest examples in an increasingly dire trend of destructive and deadly wildfires. In 2017, for example, the Tubbs Fire was so destructive that it wiped out 5 percent of Santa Rosa, California's housing stock, and killed 34 people.<sup>16</sup> Just one year later, in 2018, the Camp Fire became the single deadliest and most destructive wildfire in California's history. That fire burned approximately 153,336 acres and reduced much of the town of Paradise, along with the neighboring communities of Concow and Magalia, to ashes.<sup>17</sup> The Camp Fire destroyed an estimated 18,804 homes, businesses, schools, and other structures.<sup>18</sup> Tragically, 85 lives were lost, many of them as residents were trying to evacuate the rapidly spreading fire.<sup>19</sup> Later, in 2020, the North Complex Fire in California destroyed 2,352 structures, killed 15 people, and virtually wiped the communities of Berry Creek and Feather Falls from the map.<sup>20</sup> In 2021, the Marshall Fire



A home pictured before and after the Carr Fire in California.

Source: HuffPost, 2018.

<sup>16</sup> Laura J. Nelson, *et al.*, "Death toll from Northern California fires jumps to at least 34; 5,700 structures destroyed," LA Times, October 13, 2017, <https://www.latimes.com/local/lanow/la-me-ln-fires-20171013-story.html>.

<sup>17</sup> "2018 Camp Fire After Action Report," California Office of Emergency Services, <https://www.caloes.ca.gov/wp-content/uploads/Preparedness/Documents/FINAL-AAR-2018-Camp-Fire-508-Clean-Copy-11.17.25.pdf>; "List of Missing in Camp Fire Down to 1," FOX40, August 2, 2019, <https://fox40.com/news/california-connection/one-still-missing-in-camp-fire/>; "Paradise Lost: Inside California's Camp Fire," CBS News, [www.cbsnews.com/news/paradise-lost-inside-california-camp-fire-60-minutes/](https://www.cbsnews.com/news/paradise-lost-inside-california-camp-fire-60-minutes/). <https://news.sky.com/story/california-wildfires-before-and-after-images-of-the-devastation-in-malibu-and-paradise-11552392>.

<sup>18</sup> *Id.*

<sup>19</sup> *Id.*

<sup>20</sup> "Top 20 Deadliest California Wildfires," CALFIRE, [https://www.fire.ca.gov/media/lbfd0m2f/top20\\_deadliest.pdf](https://www.fire.ca.gov/media/lbfd0m2f/top20_deadliest.pdf); Tom Tapp, "Tiny California Town Leveled by 'Massive Wall of Fire'; 10 Dead, 16 Missing, Trapped Fire Crew Barely Escapes Blazes," Deadline.com, September 10, 2020, <https://deadline.com/2020/09/california-town-berry-creek-destroyed-wildfire-north-complex-bear-fire-10-dead-16-missing-1234575145/>.

became the most destructive fire in Colorado's history, destroying more than 1,000 homes in Boulder County in a matter of hours.<sup>21</sup> More recently, the 2023 Maui Fires claimed over 100 lives and obliterated the historic town of Lahaina, becoming the deadliest U.S. wildfire of the past century.<sup>22</sup> Finally, in 2024, the Smokehouse Creek Fire burned more than 1 million acres in the Texas Panhandle, making it the largest wildfire in Texas history and one of America's largest wildfires.<sup>23</sup>

Without urgent action, it is only a question of when—not if—another community will face horrors similar to those witnessed in the 2025 L.A. Fires. U.S. Forest Service (USFS) researchers, through fireshed simulation modeling, identified hundreds of western communities with higher predicted fire risk than that which faced Paradise before tragedy struck in 2018.<sup>24</sup> In fact, extreme disasters like the Camp Fire could become the frightening new norm: A 2019 USFS report estimated that “1,812 communities in the western U.S. could potentially be significantly impacted by future wildfires,” exposing an estimated 4,000 structures to wildfire on average annually.<sup>25</sup> Other sobering fire models have even predicted plausible, extreme fire scenarios in the near future where almost 500,000 buildings could be lost to wildfire in a single fire season.<sup>26</sup> Related estimates identified the probability of wildfires igniting on National Forest System lands and burning over 1.5 million acres in southern California, destroying 100,000 structures, and putting thousands of lives at risk.<sup>27</sup> Other independent models identified 300 communities with fire risk similar to Altadena’s in 2025.<sup>28</sup> These communities collectively contain more than 580,000 structures, whose destruction could result in estimated insurance losses of \$435 billion, or 1.6 percent of the nation’s gross domestic product.<sup>29</sup> Unfortunately, these extreme scenarios will continue to unfold without a paradigm shift in the way federal forests are managed. Notably, federal lands contribute to such dangers: USFS research has identified that 71 percent of Bureau of Land Management (BLM) lands and 89 percent of USFS lands “have the potential for wildfires to ignite and spread to communities.”<sup>30</sup>

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<sup>21</sup> Guy Carpenter, “Post Event Summary: Marshall Fire,” <https://www.guycarp.com/insights/2022/01/post-event-marshall-fire.html>.

<sup>22</sup> Chen Chen, *et al.*, “Alerts and warnings under disrupted communications infrastructure: Lahaina residents’ immediate responses to the 2023 wildfire,” Science Direct, <https://www.sciencedirect.com/science/article/abs/pii/S2212420925007083>.

<sup>23</sup> “Texas Wildfires,” Federal Emergency Management Agency, <https://gis-fema.hub.arcgis.com/pages/Texas-fires-feb-mar-2024>.

<sup>24</sup> Alan Ager, *et al.*, “Wildfire exposure to the wildland urban interface in the western US,” Applied Geography, 2019; [https://www.fs.usda.gov/rn/pubs\\_journals/2019/rmrs\\_2019\\_agr\\_a002.pdf](https://www.fs.usda.gov/rn/pubs_journals/2019/rmrs_2019_agr_a002.pdf); “Wildfire risk to communities,” U.S. Forest Service, 2020, available at <https://www.fs.usda.gov/managing-land/fire/wildfirerisk>.

<sup>25</sup> Alan Ager, *et al.*, “Cross-Boundary Wildfire and Community Exposure: A Framework and Application in the Western U.S.,” U.S. Forest Service, May 2019, [https://www.fs.usda.gov/rn/pubs\\_series/rmrs\\_gtr/rmrs\\_gtr392.pdf](https://www.fs.usda.gov/rn/pubs_series/rmrs_gtr/rmrs_gtr392.pdf).

<sup>26</sup> M.A. Finney, *et al.*, “A simulation of probabilistic wildfire risk components for the continental United States,” Stochastic Environmental Research and Risk Assessment, 2011, available at <https://research.fs.usda.gov/treesearch/39312>. K.C. Short, *et al.*, “Spatial datasets of probabilistic wildfire risk components for the United States (270m),” 2020, available at [https://www.fs.usda.gov/rds/archive/products/RDS-2016-0034-2/\\_metadata\\_RDS-2016-0034-2.html](https://www.fs.usda.gov/rds/archive/products/RDS-2016-0034-2/_metadata_RDS-2016-0034-2.html).

<sup>27</sup> Eliza Barclay, “This is a worst-possible wildfire scenario for Southern California,” Vox, <https://www.vox.com/2019/9/10/20804560/climate-change-california-wildfire-2019>.

<sup>28</sup> Testimony of Allison Wolff, Vibrant Planet, Federal Lands Subcommittee Hearing on “Fix Our Forests: Advancing Innovative Technologies to Improve Forest Management and Prevent Wildfires,” June 26, 2025, <https://docs.house.gov/meetings/II/II10/20250626/118309/HHRG-119-II10-Wstate-WolffA-20250626-U1.pdf>.

<sup>29</sup> *Id.*

<sup>30</sup> A fireshed is a landscape-scale area that faces similar wildfire threats where a fire management strategy could affect fire outcomes. Alan Ager, *et al.* “Development and Application of the Fireshed Registry,” U.S. Forest Service, Rocky Mountain Region, May 2021.

## Catastrophic Wildfires Exacerbate the Cost-of-Living Crisis



*A couple returns to their home after the Eaton Fire in Altadena, California. Source: AP, 2025.*

As Americans across the country struggle with rising costs, the increasing likelihood and severity of catastrophic wildfires continue to threaten economic prosperity and family pocketbooks. Astonishingly, the L.A. Fires stand as the costliest wildfire not only in U.S. history, but globally as well.<sup>31</sup> In total, these fires caused an estimated \$76-\$131 billion in property

and casualty losses, \$45 billion in insured losses, and \$297 million in wage losses.<sup>32</sup> Nationwide, insured disaster losses were \$107 billion in 2025, meaning that this single event accounted for more than 40 percent of all insured disaster losses that year.<sup>33</sup> For context, the entire 2020 wildfire season, recorded as one of the worst on record, had fewer estimated total losses compared to the L.A. Fires.<sup>34</sup>

Estimates of monetary losses due to U.S. wildfires range from \$37 billion to \$88 billion annually.<sup>35</sup> These figures include “the value of structures damaged or destroyed, the lost value of timber, forgone tax revenues, the impact on housing prices, and the costs to evacuate.”<sup>36</sup> Importantly, such estimates are likely conservative, as they do not account for “business interruptions, damage to infrastructure and public utilities, and disruptions to the supply of goods and services.”<sup>37</sup> Developing this point, one study estimated that the full economic impact of the 2018 wildfires in California alone was \$149 billion.<sup>38</sup> The most harmed sectors included the

<sup>31</sup> Jeff Masters, “Earth was hit by 55 billion-dollar weather disasters in 2025,” January 26, 2026, Yale Climate Connections, <https://yaleclimateconnections.org/2026/01/earth-was-hit-by-55-billion-dollar-weather-disasters-in-2025/#:~:text=Most%20of%20the%20damage%20was,respectively%2C%20according%20to%20Gallagher%20Re.>

<sup>32</sup> Zhiyun Yu, “Economic Impact of the Los Angeles Wildfires,” UCLA Anderson School of Management, March 3, 2025, <https://www.anderson.ucla.edu/about/centers/ucla-anderson-forecast/economic-impact-los-angeles-wildfires>.

<sup>33</sup> “2025 marks sixth year insured natural catastrophe losses exceed USD 100 billion, finds Swiss Re Institute,” Swiss Re Group, December 16, 2025, <https://www.swissre.com/press-release/2025-marks-sixth-year-insured-natural-catastrophe-losses-exceed-USD-100-billion-finds-Swiss-Re-Institute/f710c271-58c8-4c48-9004-05203634d1e0>.

<sup>34</sup> Monica Danielle, “AccuWeather estimates more than \$250 billion in damages and economic loss from LA wildfires,” AccuWeather, January 13, 2025, <https://www.accuweather.com/en/weather-news/accuweather-estimates-more-than-250-billion-in-damages-and-economic-loss-from-la-wildfires/1733821>.

<sup>35</sup> “Wildfires,” Congressional Budget Office, <https://www.cbo.gov/system/files?file=2022-06/57970-Wildfires.pdf>.

<sup>36</sup> *Id.*

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

service industry (\$44.4 billion in damages) and manufacturing (\$22.3 billion).<sup>39</sup> Butte County, California, the location of the Camp Fire, lost an astonishing “\$5.6 billion, or 47.4% of its own GDP.”<sup>40</sup> Another study that examined wildfires that burned more than 3,200 homes in San Diego, California, in 2003 estimated that the fires had a total economic impact of \$2.5 billion.<sup>41</sup> Even such broader studies, however, often fail to capture the long-term economic effects of wildfire, which stem from lower home prices, higher insurance rates, and businesses and families that choose to leave the area.

The unaffordability or unavailability of home insurance is one of the main factors driving up the cost of home ownership in the western U.S. As structural damage attributable to wildfires has increased, so too have the damages paid out by insurance companies. Perhaps no state is facing a more dire insurance situation than California. Between 2017 and 2020, four of the five costliest wildfires in the world occurred in California, which resulted in insurance companies paying out a total of \$35.9 billion in losses.<sup>42</sup> From 2018 to 2022, California had the highest amount of wildfire-related property damages in the country, surpassing the next closest state, Colorado, by more than nine times.<sup>43</sup> These property losses, combined with “rapidly growing catastrophe exposure,” led to several home insurance companies, including State Farm, Allstate, and AIG, to announce their withdrawal from the California insurance market.<sup>44</sup> Mere months before the Palisades Fire ignited, “insurers dropped nearly 70% of policyholders in Pacific Palisades, deeming them too much of a fire risk to insure.”<sup>45</sup> In 2019, an estimated “350,000 California home and business owners [were] unable to get property and casualty insurance” due to wildfire risk.<sup>46</sup> The inability to get insurance has far-reaching implications. Without insurance coverage, for example, many people are unable to obtain a mortgage to purchase a home or even repair homes damaged by wildfire.<sup>47</sup>

To those with home insurance, however, the wildfire crisis has brought skyrocketing costs. From 2020 to 2023, home insurance rates rose by 13 percent nationwide.<sup>48</sup> However, in wildfire-prone areas, insurance rates are far surpassing the average nationwide increase. Before the Palisades Fire, for example, a local resident reported dropping his Farmers Insurance home protection policy after learning that his premium would rise from \$4,500 to \$18,000, a 300-percent

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<sup>39</sup> Wang, *et al.*, “Economic footprint of California wildfires in 2018,” *Nature Sustainability*, volume 4, pg. 252–260 (2021).

<sup>40</sup> *Id.*

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> Lindsay Bishop, “Wildfire Statistics: Damage, Fatalities and Insurance Rates,” Value Penguin, July 7, 2023, <https://www.valuepenguin.com/homeowners-insurance/wildfire-statistics>.

<sup>44</sup> “Climate Shocks Are Making Parts of America Uninsurable. It Just Got Worse..,” New York Times, May 31, 2023, <https://www.nytimes.com/2023/05/31/climate/climate-change-insurance-wildfires-california.html>; “Cascading wildfire insurance issues impact local and state budgets,” Headwaters Economics, January 17, 2025, <https://headwaterseconomics.org/natural-hazards/wildfire-insurance-local-state-budgets/>.

<sup>45</sup> Simmone Shah, “‘Completely Overwhelming’: L.A. Fire Victims Describe Their Devastating Losses,” Time Magazine, January 14, 2025, <https://time.com/7206723/california-wildfire-victims-palisades-eaton/>.

<sup>46</sup> “After wildfires, hundreds of thousands of Californians can’t get insurance,” CBS News, August 30, 2019, <https://www.cbsnews.com/news/wildfires-california-homeowners-insurance-hard-to-find-due-to-magnitude-of-massive-wildfires/>.

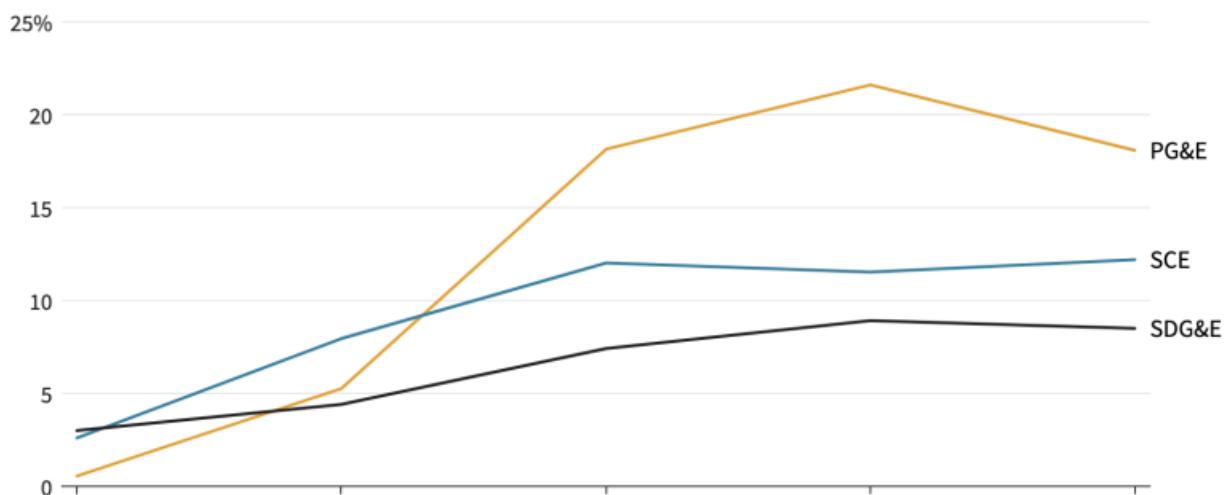
<sup>47</sup> Michael Copley, “How climate change could cause a home insurance meltdown,” NPR, July 22, 2023, <https://www.npr.org/2023/07/22/1186540332/how-climate-change-could-cause-a-home-insurance-meltdown>.

<sup>48</sup> *Id.*

increase.<sup>49</sup> Similarly, home insurance premiums in certain New Mexico counties rose by 41 to 47 percent over the same 2020-2023 period, leading local insurance officials to describe “a bleak and uncertain future for prospective homeowners seeking adequate coverage for homes built in and around increasingly fire-prone forests.”<sup>50</sup> In Oregon, property owners reported a ninefold increase in their home insurance premiums over the course of a single year.<sup>51</sup> Similarly, in Washington, premiums for the state’s last-resort insurance plan have increased by more than 200 percent.<sup>52</sup> Even when homeowners do obtain insurance, these policies often barely scratch the surface of true recovery costs. For example, 36 percent of residents affected by the 2021 Marshall Fire in Colorado were “severely” underinsured, with insurance covering less than 75 percent of the true costs to rebuild their home.<sup>53</sup> The cumulative total of such costs – including insurance premiums, rebuilding costs, and relocation expenses – caused one L.A. Fire survivor to remark: “The American dream is not that affordable anymore.”<sup>54</sup>

## Wildfire costs are responsible for a growing share of utility rates

Percent of total costs that utilities can recover from customers for wildfire expenses



Select utility rate increases in California directly related to increasing wildland fires. **Source:** CalMatters, 2024.

Contributing to this unaffordability crisis are rising utility costs associated with wildfires. Between 2019 and 2023, certain utility rates in California increased by 30 percent, outpacing

<sup>49</sup> Laurence Darmiento & Summer Lin, “First, they lost their home insurance. Then, L.A. fires consumed their homes,” LA Times, January 12, 2025, <https://www.latimes.com/business/story/2025-01-12/california-homeowners-are-getting-cancelled-by-their-insurers-and-the-reasons-are-dubious#:~:text=Before%20the%20fires%20burned%20more.location%20south%20of%20Sunset%20Boulevard>.

<sup>50</sup> Patrick Lohmann, “Fires making home insurance unaffordable, impossible, NM lawmakers say,” Source NM, August 21, 2024, <https://sourcenm.com/2024/08/21/fires-making-home-insurance-unaffordable-impossible-nm-lawmakers-say/>.

<sup>51</sup> Alex Baumhardt, “Oregon homeowners face soaring premiums, few property insurance options over wildfires,” Oregon Capital Chronicle, February 26, 2024, <https://oregoncapitalchronicle.com/2024/02/26/oregon-homeowners-face-soaring-premiums-few-property-insurance-options-over-wildfires/>.

<sup>52</sup> Kristin Goodwillie, “Washington homeowners are paying the price for wildfires before they ignite,” August 9, 2024, <https://www.king5.com/article/news/investigations/coverage-crisis/washington-homeowners-paying-price-for-wildfires-before-ignite-coverage-crisis/281-a0b964ab-a643-440c-bd75-e914001634d0>.

<sup>53</sup> Greg Iacurci, “L.A. wildfire victims face financial anxiety amid recovery: ‘The uncertainty is very unsettling’,” CNBC, February 2, 2025, <https://www.cnbc.com/2025/02/02/la-wildfire-victims-face-financial-anxiety-amid-recovery.html>.

<sup>54</sup> Quote can be accessed here: <https://www.youtube.com/shorts/4kUMzUPJ1qw>.

inflation and driven in large part by “wildfire prevention and legal settlements related to past wildfires.”<sup>55</sup> As utilities spend billions of dollars upgrading and hardening their infrastructure to reduce wildfire damage, these costs are passed onto consumers, with some residential rates expected to double the national average in the coming years.<sup>56</sup> In fact, many utilities are now sounding the alarm on the lack of active forest management, as wildfires have become “an existential threat to the utility business model.”<sup>57</sup> If utilities are unable to adequately manage wildfire risks because of a lack of active management on federal lands, certain utilities may cease operations, creating cascading utility bill increases for millions of families.

Small businesses and local labor forces often feel the brunt of wildfire devastation, as these fires “decrease labor income, employment, and labor force participation.”<sup>58</sup> Between 2007 and 2019, wildfires reduced earnings by an average of \$125 billion per year, with earnings losses disproportionately affecting “counties whose populations have an above-median proportion of Black residents.”<sup>59</sup> While many industries are negatively affected by wildfires, small businesses are often hit especially hard. For example, Altadena Hardware, a multi-generational, family-owned business that had operated for more than 90 years at the time of the 2025 Eaton Fire, was completely decimated by the fire.<sup>60</sup> After learning his family’s store had burned to the ground, Jim, the owner, stated, “The first thing I thought to myself, I have to tell my two boys that the hardware store they built up and put their whole life into is gone.”<sup>61</sup> For small businesses that rely on federal lands, the damage caused by wildfires can be particularly acute. For example, wildfires during the 2020 and 2021 seasons burnt approximately 35 percent of all active grazing allotments on USFS lands in California.<sup>62</sup> In Oregon, 480,846 acres of USFS grazing allotments burned in 2021.<sup>63</sup> These losses are significant, as over 216 million acres of federal lands (139 million for BLM and 77 million for USFS) are actively grazed, creating an annual economic impact of more than \$1 billion.<sup>64</sup>

### **Fix Our Forests Act**

Wildfires are more preventable than tornadoes or hurricanes. Accordingly, we should do all we can to stop these natural disasters from occurring before more communities face the same fate as the Palisades, Altadena, Pasadena, Paradise, Lahaina, and countless others. Federal land management agencies have identified approximately 117 million acres of federal land at high or

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<sup>55</sup> “How Wildfire Costs in California Could Impact Utility Rates and What Californians Can Do About It,” New Day Solar, <https://www.newdaysolar.com/how-wildfire-costs-in-california-could-impact-utility-rates-and-what-californians-can-do-about-it/>.

<sup>56</sup> *Id.*

<sup>57</sup> Barlow, *et al.*, “Wildfire Risk: Review of Utility Industry Trends,” Pacific Northwest National Laboratory, July 2025, [https://www.pnnl.gov/sites/default/files/media/file/Wildfire%20Risk%20Review%20of%20Utility%20Industry%20Trends\\_PNN\\_L\\_July%202025.pdf](https://www.pnnl.gov/sites/default/files/media/file/Wildfire%20Risk%20Review%20of%20Utility%20Industry%20Trends_PNN_L_July%202025.pdf).

<sup>58</sup> “Wildfires reveal the large toll of air pollution on labor market outcomes,” Stanford Institute for Economic Policy Research, <https://siepr.stanford.edu/publications/policy-brief/wildfires-reveal-large-toll-air-pollution-labor-market-outcomes>.

<sup>59</sup> *Id.*

<sup>60</sup> Kara Finnstrom, “Altadena Hardware destroyed in Eaton Fire plans for the great rebuild,” CBS News, April 7, 2025, <https://www.cbsnews.com/losangeles/news/altadena-hardware-eaton-fire-rebuild/>.

<sup>61</sup> *Id.*

<sup>62</sup> Sierra Dawn McClain, “Wildfire-damaged ranges mean less public land for Western cattle to graze,” Capital Press, April 5, 2022, [https://www.capitalpress.com/ag\\_sectors/livestock/wildfire-damaged-ranges-mean-less-public-land-for-western-cattle-to-graze/article\\_5595105c-b1e5-11ec-a58c-77b5493aca69.html](https://www.capitalpress.com/ag_sectors/livestock/wildfire-damaged-ranges-mean-less-public-land-for-western-cattle-to-graze/article_5595105c-b1e5-11ec-a58c-77b5493aca69.html).

<sup>63</sup> *Id.*

<sup>64</sup> Daniel Munch, “Public Lands Grazing Vital to the Rural West,” Farm Bureau, July 5, 2023, <https://www.fb.org/market-intel/public-lands-grazing-vital-to-the-rural-west>.

very high risk of wildfire, representing nearly one-fifth of the total land overseen by those agencies.<sup>65</sup> Despite that, USFS is only treating 3.6 percent of its fire-prone lands.<sup>66</sup>

The  
bipartisan  
Fix Our  
Forests Act  
(FOFA) is  
the solution.  
FOFA  
restores  
forest health,  
increases  
resiliency to  
catastrophic  
wildfires,  
and protects  
communities  
by  
expediting  
environmental



A home destroyed by the Eaton Fire in Altadena, California. **Source:** AP, 2025.

analyses, reducing frivolous lawsuits, and increasing the pace and scale of forest restoration projects. FOFA also reduces duplication and fragmentation across community protection grant programs, incentivizes new research around community resiliency, and encourages more active management in utility rights-of-way.

The L.A. Fires demonstrated how active management can be the difference between life and death. In 2020, the Angeles National Forest began conducting an environmental assessment (EA) on an 8,685-acre fuels reduction project as part of its “Forestwide Fuelbreak Maintenance Strategy.”<sup>67</sup> Due to years of delays, land managers eventually split this project into three separate categorical exclusions (CEs), given the maximum acreage allowed under current statutory CEs, to expedite approvals.<sup>68</sup> These approvals were finally granted in 2025, “four years after the project was first proposed and too late to make a difference in the Eaton Fire.”<sup>69</sup> Had FOFA been in place in 2020, when this project was first proposed, land managers would have been able to use emergency authorities, allowing work to begin instantly, not after years of delay. Further, FOFA increases the statutory acreage of all CEs to 10,000 acres, meaning land managers would have needed to complete only one CE document instead of one failed EA and three separate CEs.

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<sup>65</sup> Anne Riddle, “Federal Wildfire Management: Ten-Year Funding Trends and Issues (FY2011-FY2020),” Congressional Research Service, October 28, 2020, <https://www.congress.gov/crs-product/R46583>.

<sup>66</sup> Sutherland, *et al.*, “PERC Wildfire Risk Map,” Property and Environment Research Center, February 25, 2025, <https://www.perc.org/2025/02/25/perc-wildfire-risk-map/#:~:text=In%20the%20contiguous%20western%20United,%E2%80%9Chigh%20risk%E2%80%9D%20for%20wildfire>.

<sup>67</sup> Testimony of Matt Weiner, MegaFire Action, “Fix Our Forests: How Improved Land Management Can Protect Communities in the Wildland-Urban Interface,” May 15, 2025, <https://www.congress.gov/119/meeting/house/118173/witnesses/HHRG-119-HI15-Wstate-WeinerM-20250515.pdf>.

<sup>68</sup> *Id.*

<sup>69</sup> *Id.*

On January 23, 2025—more than one year ago—the House of Representatives passed FOFA by a 279-141 margin, representing broad, bipartisan support from nearly two-thirds of House Members.<sup>70</sup> The Senate Committee on Agriculture, Nutrition, and Forestry favorably reported FOFA in October 2025 by another overwhelmingly bipartisan vote of 18-5.<sup>71</sup> FOFA now awaits action in the full Senate.

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<sup>70</sup> This vote margin is one vote shy of being placed on the Suspension Calendar. <https://www.congress.gov/votes/house/119-1/25>.

<sup>71</sup> More information can be found here: <https://www.agriculture.senate.gov/hearings/business-meeting-10-21-2025>.