



**DEPARTMENT OF
NATURAL RESOURCES**

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November 25, 2024

Pat Sullivan, Director
Washington State Office of Financial Management
PO Box 43113
Olympia, WA 98504-3113

Subject: Budget Reductions for Fiscal Year 2025 and 2025-27 Biennium

Dear Director Sullivan:

In response to your recent request to provide options to address the projected state budget shortfall, we have developed an initial list of proposed budget reductions at DNR for your consideration. We will continue to work closely with you as you finalize the Governor's supplemental and biennial budget.

After reviewing our operating budget appropriations/allotments for General Fund-State and Near General Fund-State (Account 25P, Wildland Fire Response, Forest Restoration, and Community Resilience Account), we are proposing a reduction of expenditures of approximately \$2.395 million in Fiscal Year 2025 and \$5.305 million in each subsequent fiscal year, totaling \$10.610 million in the ensuing biennium. Our proposal includes a combination of program service level reductions, use of other funds in lieu of General Fund-State, use of under-expenditures, and reductions to goods, services, and travel. Please refer to the enclosed table that summarizes the proposed reductions.

It is important to note that the vast majority of DNR's GFS and Near-GFS (Account 25P, Wildland Fire Response, Forest Restoration, and Community Resilience Account) is dedicated to wildland fire response, forest protection and restoration, and community resilience. Some outcomes achieved include:

- Wildland fire response funds have reduced human caused wildland fires, lowered the size/scale and geography of catastrophic wildland fires, and reduced communities, landscapes, and populations at risk.
- Forest restoration funds have increased forest resilience to insects, disease, climate, and wildland fire and allowed direct investments in state, Tribal, federal, and private lands to reduce forest density, reduce fuels and encourage appropriate species have occurred statewide.

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- Community resilience funds have increased regional and community preparedness and response to wildland fires, as well as increasing the resiliency of our forests and communities statewide to wildland fire and other disturbances.

These investments will pay off in the short term by addressing immediate threats, and in the long term by improving growth and yield of forests as well as overall landscape health.

We understand the challenges ahead and commit to working with you and your staff to address this budget shortfall while ensuring that DNR can continue to effectively manage our public lands for our trust beneficiaries and all the people of Washington.

If you have further questions, please call Tristan Wise, DNR's Chief Financial Officer, at tristan.wise@dnr.wa.gov or 360-701-7627.

Sincerely,



Kathryn W. Taylor
Chief Operating Officer

Attachment: DNR Proposal for Budget Reductions Fiscal Year 2025 and 2025-27

cc: Hilary S. Franz, Commissioner of Public Lands, DNR
Jim Cahill, Senior Budget Assistant to the Governor, OFM
Jen Masterson, Senior Budget Assistant to the Governor, OFM
Lisa Borkowski, Budget Assistant to the Governor, OFM
Shelly Willhoite, Budget Assistant to the Governor, OFM
Annette Meyer, Deputy Supervisor of Employee & Enterprise Service, DNR
Brian Considine, Legislative Director, DNR
Tristan Wise, Chief Financial Officer, DNR
David Chertudi, Budget Director, DNR

Attachment: DNR Proposal for Budget Reductions Fiscal Year 2025 and Beyond

Program/Activity	Description	Fund	EA	FY25	Annual Ongoing	Biennial Ongoing
						-
All-agency	Reduction to GF-S transfer into account 25P.	25P	390	2,000,000	2,000,000	4,000,000
Geology: Regulatory Programs	Within DNR's existing spending authority, charge oil and gas regulation/reclamation work to other accounts.	001	01*	-	14,000	28,000
Uplands: Environmental Justice	Propose appropriation shift from GF-S to the Natural Climate Solutions Account.	001	01*	-	666,000	1,332,000
Uplands: Environmental Justice	One-time savings from Environmental Justice implementation.	001	01*	200,000	-	-
Uplands: Silviculture	Propose appropriation shift from 25P to the Natural Climate Solutions Account.	25P	390	-	1,004,000	2,008,000
Uplands: Amateur Radio	One-time reduction in expected in operating costs for FY25 and a smaller drop in costs projected in outlying years.	001	BF2	55,000	20,000	40,000
Uplands: Recreation Target Shooting	One-time savings from Recreation Target Shooting implementation.	001	CD2	128,000	-	-
Uplands: Pesticide Application	Reduced costs projected for pesticide application committee meetings.	001	01*	12,000	12,000	24,000
Forest Resilience: Strategic Science Planning	Reduction to program pass-through activities.	25P	390	-	57,000	114,000
Forest Resilience: Prescribed Fire	Reduction to program pass-through activities.	25P	390	-	31,000	62,000
Forest Resilience: Post-Fire Recovery	Reduction to program pass-through activities.	25P	390	-	16,000	32,000
Forest Resilience: Good Neighbor Authority	Reduction to program pass-through activities.	25P	390	-	9,000	18,000
Forest Resilience: Service Forestry	Reduction to program pass-through activities.	25P	390	-	101,000	202,000
Forest Resilience: Division Pass-through	Reduction to program pass-through activities.	25P	390	-	23,000	46,000
Forest Regulation: Adaptive Management	Reduction to statewide Adaptive Management Program.	001	01*	-	26,000	52,000
Forest Regulation: Adaptive Management	Reduction to scientific research proviso work.	001	072	-	46,000	92,000
Wildfire: HB1578 Wildland Fire Safety	Reduction to wildland fire safety proviso work.	001	BQ2	-	250,000	500,000
Wildfire: Pacific Cascade	Reduction in program costs costs associated with Larch facility closure.	001	01*	-	780,000	1,560,000
Wildfire: Community Resilience Grant Program	Reduction to program pass-through activities.	25P	390	-	250,000	500,000
Total				2,395,000	5,305,000	10,610,000