

Fire Management Assistance Grant: strategies for recovery

Forensic & Integrity Services
Insurance & Federal Claims Services

December 2025

The better the question. The better the answer. The better the world works.

EY

Shape the future
with confidence

Fire Management Assistance Grant: strategies for recovery

Increasing wildfire threat

The severity and impact of wildfires continue to grow despite general consistency in the number of total annual wildfires. The number of annual acres burned, federal spending on fire suppression and the volume of fire management declarations have been increasing for more than two decades.¹

As a state official, are your local jurisdictions prepared to respond and recover from this increasing wildfire threat?

Federal recovery support

As evidenced by the recent urban fires within the greater Los Angeles area, wildfires can lead to substantial damage that warrants major disaster declarations under the Stafford Act. Such declarations provide Public Assistance (PA) from the Federal Emergency Management Agency (FEMA), which can fund a variety of emergency and permanent work projects. However, when wildfires are actively burning and threatening destruction that would lead to a major disaster declaration, state governments can request a declaration under FEMA's Fire Management Assistance Grant (FMAG). The FMAG program serves as a disaster recovery grant that can fund emergency protective measures and firefighting operations for active wildfires that currently lack the documented damage to qualify for a major disaster declaration. While similar to PA, state governments can benefit from gaining a greater understanding of the unique characteristics of the FMAG program and sharing strategies with local governments to maximize recovery and reduce risk.

Unique characteristics

The FMAG program includes unique characteristics and requirements that differ from FEMA's requirements following a major presidential declaration and taking certain steps can lead to a more effective recovery process.

I. Limited categories of work

Unlike the broader FEMA PA program, only three categories of work are recoverable by the FMAG program: Category B (emergency protective measures), Category H (firefighting) and Category Z (administrative costs).²

¹ Statistics | National Interagency Fire Center and OpenFEMA Data Sets | FEMA.gov

² Fire Management Assistance Grants | FEMA.gov



Track costs by category of work: During the response phase, confirm that all categories of work are being tracked both accurately and separately. This investment in upfront separation and tracking will allow an impacted jurisdiction to more rapidly formulate distinct projects that are clearly separated by the required category of work. Additionally, given the FMAG program's limited categories of work compared to PA, it is paramount to identify costs that are not eligible to be claimed in the program. For example, the FMAG program does not allow for the recovery of comprehensive debris management costs or permanent repairs to public infrastructure damaged by the fire.

II. Pre-positioning

The cost for pre-positioning federal, out-of-state and international resources is eligible within the FMAG program if the resources are ultimately used on the declared fire.

Assemble a detailed pre-positioning request package: State emergency managers must promptly request approval to claim pre-positioning cost from their respective FEMA Regional Administrator. To fully recover the costs of pre-positioning assets, it is critical to assemble a detailed pre-positioning request package, which includes the essential elements of information required by the Code of Federal Regulations (CFR). This package should include at a minimum:

- a. A list of all eligible resources being claimed for pre-positioning, which details estimated cost, hours and location used.
- b. A technical narrative justifying the need to pre-position, which includes indicators such as forecasts, statewide fire conditions and resource availability.³

III. Incident separation

Fire conditions leading to the initial FMAG declaration may lead to additional fires within the same jurisdiction, which would then be subsequently declared with separate unique FMAG declaration numbers.

Proactively document work performed for each fire: Jurisdictions face enhanced challenges with grant management and project formulation when managing multiple FMAG declarations, which stem from fires in geographic or temporal proximity and when resources are shared between fires. Such a scenario increases the risk that documentation, such as activity logs, timecards and invoices, may not maintain distinct incident separation and allocation. To mitigate this risk, it is a leading practice for the incident management team to proactively communicate to responders the need to track costs separately between multiple fires. The objective is to conclude the response with accurate and fire-specific supporting documentation that the grant specialist can use to formulate projects for separate declarations.

Call to action

Given the increased threat of wildfires, advance preparation is critical to conduct effective recovery operations. State governments can enhance recovery outcomes by increasing local governments' readiness to manage the unique characteristics within the FMAG program. Tracking costs by category of work, drafting effective pre-positioning requests and maintaining clear incident separation contribute to maximizing the recovery of federal funds while reducing the risk of deobligation.

³ 44 CFR 204.42(e)

Ernst & Young LLP (EY US) contacts



Allen C Shank

Partner

Insurance & Federal Claims Services
+1 214-969-8932
allen.shank@ey.com



Jill E. Powell

Principal

Insurance & Federal Claims Services
+1 312-371-7437
jill.powell@ey.com



Tucker Berry

Manager

Insurance & Federal Claims Services
+1 512-634-2346
tucker.berry@ey.com

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2025 Ernst & Young LLP.
All Rights Reserved.

US SCORE no. 29230-251US
2510-12010-CS
ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.