



1100 K Street
Suite 101
Sacramento
California
95814

Telephone
916.327-7500

Facsimile
916.441.5507

REAUTHORIZATION OF THE SECURE RURAL SCHOOLS ACT

REQUESTED ACTION: Approve a long-term reauthorization of the Secure Rural Schools and Community Self-Determination Act (SRS).

BACKGROUND: In 1908, Congress passed legislation that created a funding mechanism to offset the effects of removing National Forest System lands from economic development. The Act specified that 25 percent of all revenues generated from the multiple-use management of the National Forests be shared with counties to support public roads and schools.

The initial revenue sharing mechanism worked well from 1908 to about 1986. After 1986, however, the multiple-use management of the National Forests sharply dropped, followed by a commensurate drop in revenues. Largely as a result of county and school officials banding together, Congress approved in 2000 the SRS. The law stabilized the share of forest receipts for counties by allowing jurisdictions to collect 25 percent of the current year's receipts or the average of the highest three years since 1986, whichever is greater. Counties spend SRS funds for a variety of projects, including forest-related education and road maintenance and rehabilitation.

On October 3, 2008, a continuation of the SRS program was signed into law (PL 110-343) that maintains county payments through 2011. Approval of the extension ensured that forest counties and schools could avert a major budgetary crisis that would have resulted in massive cuts to education programs and huge reductions in various county services.

With the onset of 2011, more than 600 rural counties and 4,400 school districts nationwide are again facing a major budgetary emergency due to the absence of an SRS renewal. Counties in California – which received over \$49 million in 2010 SRS funding – rely on the program to maintain local roads and other public infrastructure, operate search and rescue missions, and provide many other essential local services. If Congress does not act to reauthorize the SRS program, counties will begin the process of laying off employees, cancelling contracts, and reducing services.

Finally, as the national economy continues to struggle, it is more critical that Congress approve a long-term reauthorization of the SRS. The first individuals to feel the effects of a sagging economy live in rural America, where communities are ill-equipped to adapt to a weak U.S. dollar and local governments do not have ample budgetary reserves to respond to a recession. Moreover, rural communities that are heavily dependent upon timber sales are especially at risk given the fact that timber harvests on federal lands have declined as a result of the dramatic slowdown in the housing market.

Contacts: Joe Krahn, Waterman & Associates, (202) 898-1444
Karen Keene, CSAC, (916) 327-7500, Ext. 511