



California State Association of Counties
1100 K Street, Suite 101
Sacramento, CA 95814



Regional Council of Rural Counties
1215 K Street, Suite 1650
Sacramento, CA 95814

November 16, 2011

The Honorable Barbara Boxer
United States Senate
Washington DC 20510

Dear Senator Boxer:

On behalf of California's counties that are represented by the Regional Council of Rural Counties (RCRC) and the California State Association of Counties (CSAC), we are writing to express our strong support for the reauthorization of the Secure Rural Schools and Community Self-Determination Act (SRS) and the Payment in Lieu of Taxes program (PILT). Together RCRC and CSAC represent county government before the California Legislature, administrative agencies and the federal government. Representing all 58 of California's Counties that encompass over 35 million acres of United States Forest Service (USFS) and Bureau of Land Management (BLM) land, we understand how critical SRS and PILT are for job retention, successful schools and safe county infrastructure.

We want to thank you for cosponsoring the *County Payments Reauthorization Act of 2011* (S. 1692), which would extend the SRS program through 2016. This bill represents an ongoing commitment to the nation's forest counties and schools at a time when we cannot afford to lose any funding. As you know, California currently has the nation's second highest unemployment rate, with forest counties suffering more than their urban counterparts. The reauthorization of SRS is critical to the viability of these communities.

While we are encouraged to see a bipartisan approach to SRS reauthorization, we are concerned that S. 1692 does not provide for an increase in funding over the 2008 Act. As you know, the 2008 Act included an overall decrease in funding and a new formula that was no longer based upon historic timber receipts. This change has resulted in an approximately 46 percent loss in funding to California's counties and schools. Under S. 1692 the funding for the program would continue to ramp down 5 percent each year and the funding distribution would continue to be based upon the new formula. We hope that as the legislation moves forward there may be opportunities to work with you on a revised formula or overall funding level.

In addition to an SRS extension, S. 1692 also reauthorizes the PILT program through 2017. We applaud the Senate for including this provision as both programs provide critical funding to local governments who are stewards of federal lands in their communities. SRS and PILT were created to help compensate local governments for the loss of tax revenue from federal land holdings.

California's counties strongly support a long-term reauthorization of the Secure Rural Schools Act and the Payment in Lieu of Taxes program. We believe that extending funding for our nation's poorest rural areas will help stabilize the economy. We look forward to working with you to ensure

passage of S. 1692. Should you have any questions regarding our position or would like additional information, please contact Melissa White, RCRC Federal Affairs Coordinator at (916)447-4806, or Karen Keene, CSAC Deputy Director of Federal Affairs at (916)327-7500 ext. 511.

Sincerely,



Karen Keene, CSAC
Deputy Director, Federal Affairs



Melissa M. White, RCRC
Federal Affairs Coordinator

cc: The Honorable Harry Reid Majority Leader
The Honorable Mitch McConnell, Minority Leader
The Honorable Jeff Bingaman, Chairman, Committee on Energy and Natural Resources
The Honorable Lisa Murkowski, Ranking Member, Committee on Energy and Natural Resources