

Suite 101 Sacramento California 95814

Telephone 916.327-7500 Facsimile 916.441.5507

REAUTHORIZATION OF THE SECURE RURAL SCHOOLS ACT

REQUESTED ACTION: Approve an immediate extension of funding for the *Secure Rural Schools and Community Self-Determination Act* (SRS). In addition, approve a long-term reauthorization of the program to provide a stable and predictable source of funding for forested counties and schools.

BACKGROUND: In 1908, Congress passed legislation - the *Twenty-Five Percent Fund Act* - 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 decline in revenues. Largely as a result of county and school officials banding together, Congress approved in 2000 the *Secure Rural Schools and Self-Determination Act*. 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 was greater.

The SRS program expired at the end of fiscal year 2011; however, Congress provided a one-year extension of the program (through fiscal year 2012) as part of the nation's surface transportation law, and for an additional year (through fiscal year 2013) as part the *Helium Stewardship Act*. These short-term extensions have helped forest counties and schools avert a major budgetary crisis that would have resulted in massive cuts to education programs and huge reductions in various county services. Unfortunately, the program is now expired, and the law will revert to the 1908 Act. Earlier this year, the U.S. Forest Service announced that California counties will only receive \$8.7 million this year under the 1908 Act, compared to approximately \$35.6 million in the previous year under SRS - a difference of nearly \$27 million.

Counties in California rely on the SRS 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.

Therefore, CSAC urges Congress to approve an immediate short-term extension of SRS funding. Looking ahead, the association urges lawmakers to develop bipartisan legislation that would address active forest management, streamline environmental reviews, and revise the Forest Service's day-to-day approach to managing the nation's federal forests. In addition, Congress should ensure that counties are appropriately compensated under any potential new payment system.

Contacts: Hasan Sarsour, Waterman & Associates, (202) 898-1444

Karen Keene, CSAC, (916) 327-7500, Ext. 511