



**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

January 23, 2012

The Honorable Martin Heinrich  
336 Cannon House Office Building  
U.S. House of Representatives  
Washington DC 20510

Dear Representative Heinrich:

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 sponsoring the *County Payments Reauthorization Act of 2011* (H.R. 3599), 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 may be aware, 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 legislation to reauthorize SRS introduced in the House, we are concerned that H.R. 3599 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 H.R. 3599 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, H.R. 3599 also reauthorizes the PILT program through 2017. We applaud you 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.

CSAC and RCRC are concerned that a long-term reauthorization will take time to debate and develop, leaving counties and schools with no funding for the coming year. County officials are

already facing significant uncertainty as they begin the 2012-13 budget process. With the SRS program in limbo, forest counties and schools are unsure how much, if any, funding they can rely on. If Congress does not act quickly, counties will begin the process of laying off employees, cancelling contracts, and reducing services.

California's counties strongly support a long-term reauthorization of the Secure Rural Schools Act and the Payment in Lieu of Taxes program; however, we urge you to work with your colleagues on a short-term extension of funding for counties and schools to give Congress time to fully deliberate a long-term reauthorization. We want you to fully understand that any loss of SRS funding will be devastating to our members and to rural California. 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 A. Keene, CSAC  
Deputy Director, Federal Affairs



Melissa M. White, RCRC  
Federal Affairs Coordinator

cc: California Congressional Delegation  
The Honorable Doc Hastings, Chairman, Committee on Natural Resources  
The Honorable Edward J. Markey, Ranking Member, Committee on Natural Resources