

REAUTHORIZATION OF THE SECURE RURAL SCHOOLS ACT



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REQUESTED ACTION: Approve a long-term reauthorization of the Secure Rural Schools and Community Self-Determination Act (SRS). In the absence of a long-term reauthorization, seek approval of a short-term extension of SRS funding for counties and schools.

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 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.

On October 3, 2008, a continuation of the SRS program was signed into law (PL 110-343) that maintained 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 program's expiration in 2011, more than 700 rural counties and 4,400 school districts nationwide are facing a major budgetary emergency. Counties in California – which received over \$38 million in SRS funding last year – 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.

Senators Jeff Bingaman (D-NM) and Lisa Murkowski (R-AK) have introduced the *County Payments Reauthorization Act (S 1692)*, which would extend the SRS and the Payments-in-Lieu-of-Taxes (PILT) program for five years. Representative Martin Heinrich (D-NM) has introduced a companion bill in the House (HR 3599).

A separate proposal sponsored by House Natural Resources Committee Chairman Doc Hastings (R-WA) – the *Federal Forests County Revenue, Schools, and Jobs Act (HR 4019)* – would reauthorize SRS and PILT as well. However, the legislation contains a number of forest management reforms that are not included in S 1692 or HR 3599.

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