



HJR 5 – Secure Rural Schools


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House Joint Resolution No. 5



Urging the United States Congress and the President of the United States to reinstate the Secure Rural Schools and Community Self-Determination Act of 2000 and make the funding mechanism in the Act permanent.

The Secure Rural Schools and Community Self-Determination Act of 2000 (“SRS Act”) was enacted by the U.S. Congress to provide financial assistance to rural counties and school districts impacted by the sharp reduction of revenue from timber sales on federal lands and National Forests.



Historically, a portion of Forest Service funds generated through multi-use activities, such as grazing, timber production, and special use permits, were distributed to eligible counties to help maintain local roads and schools. However, with the significant decline of the timber industry in the 1990s, lawmakers sought to provide relief to local communities and economies through an alternative funding mechanism.

In Fiscal Year 2023, forest counties across the United States received \$252.6 million in payments under the SRS Act, including \$12.6 million for communities in the State of Alaska.

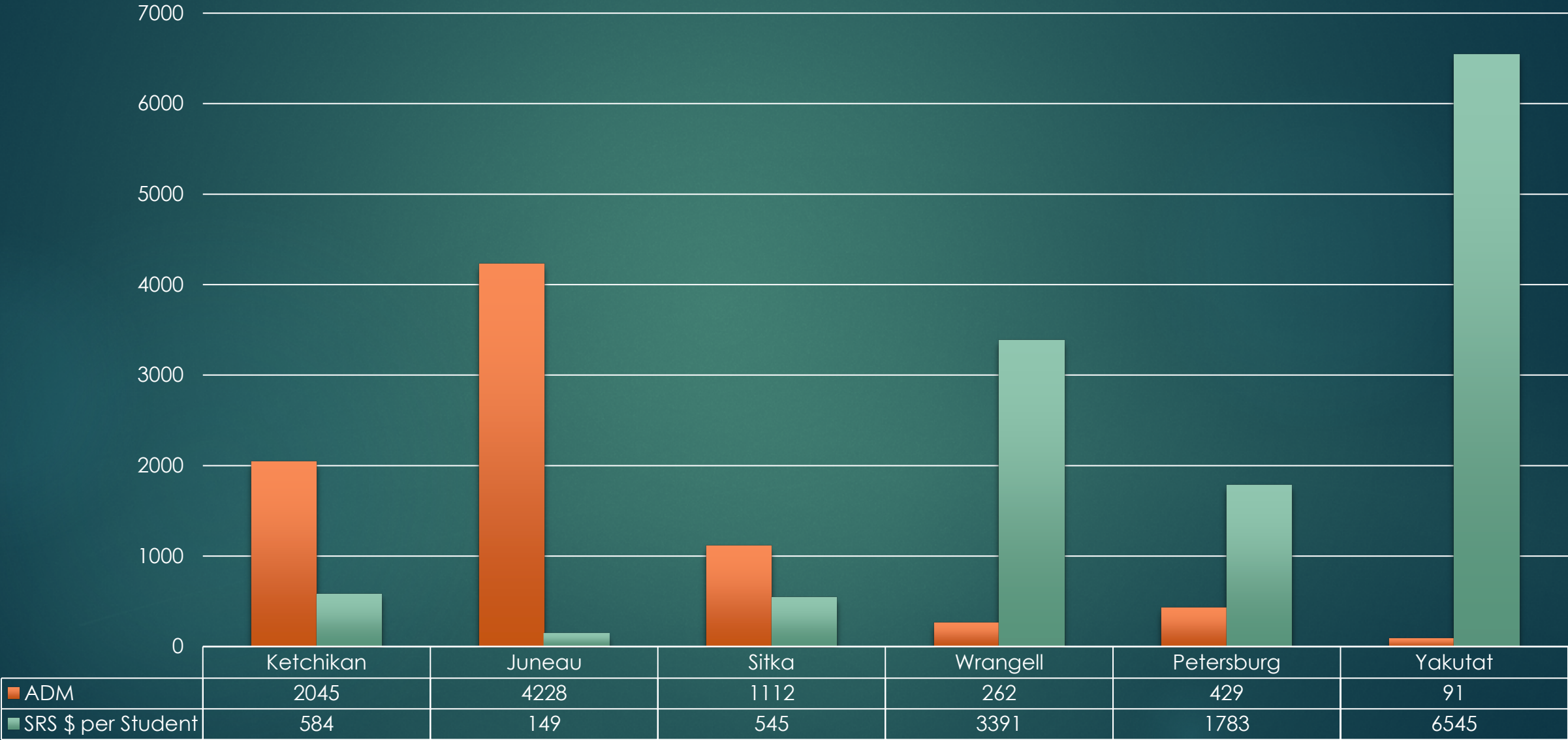
FY2023 SRS Act Payments in Alaska

- ▶ Anchorage: \$92,404.67
- ▶ Haines: \$272,886.54
- ▶ Juneau: \$629,713.94
- ▶ Kenai: \$604,468.39
- ▶ Ketchikan: \$1,194,087.61
- ▶ Mat-Su: \$22,365.14
- ▶ Petersburg: \$764,911.32
- ▶ Sitka: \$606,023.02
- ▶ Skagway: \$37,927.48
- ▶ Wrangell: \$888,492.07
- ▶ Yakutat: \$595,621.47
- ▶ Unorganized: \$5,229,332.69 (Chugach & Tongass National Forests)

What does SRS mean to Alaska communities?

- ▶ In the Ketchikan Gateway Borough, SRS payments go to the Local Education Fund, which is primarily funded through property taxes – the mill rate % equivalent of the SRS payment is 14%, or 10% of their total local contribution to schools.
- ▶ In the City & Borough of Wrangell, SRS payments accounted for approximately 55% of their local contribution to the school district.
- ▶ In the Petersburg Borough, SRS payments were equal to approximately 38% of their school funding contribution.
- ▶ In the City & Borough of Yakutat, SRS payments were roughly equal to the total amount in local contribution to their school district in FY23 and constituted nearly half of their total municipal revenue.

SRS \$ Impact per Student – Examples



The Issue?

- ▶ SRS Act funding was reauthorized in the Infrastructure Investment and Jobs Act through **September 30, 2023**.
- ▶ The Secure Rural Schools Reauthorization Act of 2023 (S.2581) was introduced to extend the SRS Act funding mechanism through 2026. This bill passed the U.S. Senate by unanimous consent. However, it died without being heard by the House upon the adjournment of the 118th Congress.
- ▶ The last SRS payments under the most recent reauthorization were distributed to states in April 2024.
- ▶ Without Congressional action, there will be no further payments to communities under SRS. Bipartisan reauthorization legislation was introduced back in February.

THE SOLUTION



House Joint Resolution No. 5 urges the United States Congress and President to reinstate this source of critical revenue for Alaska forest communities, and to go one step further by creating a permanent funding mechanism according to the existing SRS Act formula.

Removing the uncertainty of these stop-gap reauthorizations would provide stability and predictability to these affected communities across the nation, especially the small rural communities that are disproportionately impacted by these lapses in funding.



QUESTIONS?