

HJR

24

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24</SUBJECT><COMM>HCRA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Interim:
P.O. Box 109
Wrangell, AK 99929
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Session:
State Capitol, Room 406
Juneau, AK 99801-1182
Phone: (907) 465-3824
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REPRESENTATIVE PEGGY WILSON HOUSE DISTRICT 2

SPONSOR STATEMENT House Joint Resolution 24

“Urging the United States Congress to reauthorize the Secure Rural Schools and Communities Self-Determination Act of 2000”

HJR 24 urges the President and the United States Congress to authorize a secure and sustained funding mechanism to support public education in Alaska.

In 1908, the federal government established the National Forest Receipts Program, which provided support for schools and roads in America’s rural communities - those that were surrounded by the newly created National Forests. Congress recognized the fact that communities located in these areas would be deprived of opportunities for economic development and much-needed tax revenues that would otherwise be possible if the land were privately owned. Through this program, 25% of the annual income earned from activities within a national forest was shared with the states for distribution to the boroughs and cities located within the national forest.

In 1999, Congress recognized the adverse consequences of recent legislation that resulted in declining timber sales and significantly declining revenues to rural communities. The 2000 Secure Rural Schools and Community Self-Determination Act (SRSCA) was created to provide annual safety-net payments to support rural schools and roads, based on historic timber revenue levels between 1986 and 1999.

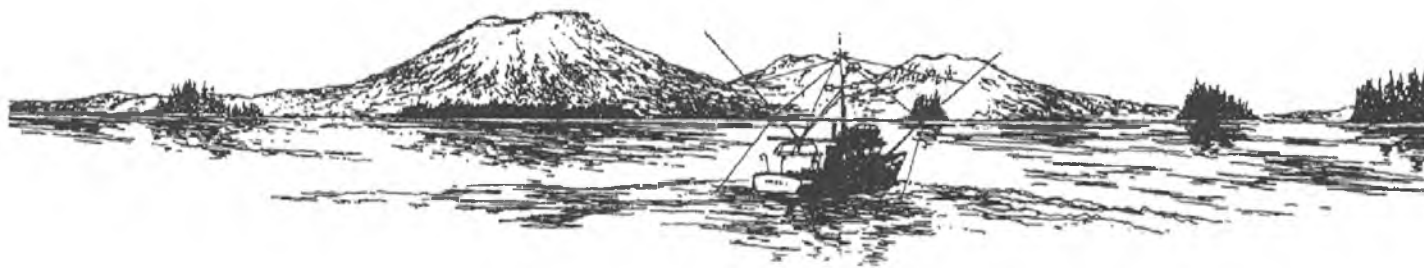
The situation in these rural communities has not changed. They are still surrounded by national forests rather than privately-owned land, and still not able to collect taxes from private enterprises on those forest lands. However, the agreement from the federal government is about to sunset. Payments from the Secure Rural Schools Act have declined each year, by design, and the Act is scheduled to end in September 2011.

Many of Alaska’s rural communities are surrounded by either the Tongass National Forest or the Chugach National Forest, making them highly dependent on the federal government for continued support for roads and schools. This Resolution urges the United States President and the United States Congress to sign into law a long-term authorization of the Secure Rural Schools and Communities Self-Determination Act.

SITKA SCHOOL DISTRICT

www.ssd.k12.ak.us

300 Kostrometinoff



Sitka, Alaska 99835
Phone: (907) 747-8622
Fax: (907) 966-1260

April 1, 2011

Representative Peggy Wilson
State Capitol Room 408
Juneau AK, 99801

Dear Representative Wilson,

The Sitka School District has actively worked to support reauthorization of the federal Secure Rural Schools and Communities Act (SRSCA) of 2000. To that end, the Sitka School District is a member of the National Forest Counties and Schools Coalition (NFCSC), and I, Lon Garrison am a member of their Board of Directors representing the Alaskan education sector. We as a local school board, feel it is imperative that the US Congress and the President abide by the compact forged in 1908 when the federal government acquired lands for public use and committed 25% of the revenue from those lands to support local communities and schools.

Sitka, along with most Southeast communities resides in the heart of the largest national forest in the nation, the Tongass National Forest, and yet does not receive any of the 25% revenue from these public lands because resource development, especially timber, is no longer viable. Without the ability to develop, extract and sell these resources, communities such as Sitka must rely on the federal government to provide an alternate source of revenue to support our local infrastructure and schools. Thus Secure Rural Schools funding is imperative to us.

Working with the NFCSC board and their associated Partnership for Rural America campaign, have been able to get the Obama administration to budget for a five year reauthorization of the Secure Rural Schools and Communities Act, with the 2012 year funded at \$328 million and ramping down to zero over five years. While not funded at the level we had hoped, this is a start. Unfortunately, Title I funds for schools and roads declines quickly while money for Title II (resource development funds) increases. The following table provides an overview of what this means to both the Sitka School District and the state as a whole:

"Educating Today's Children to Become Tomorrow's Leaders"

2012 SRSCA Reauthorization in the President's Budget

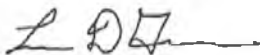
Year	Sitka Total	Title I (schools & Roads)	Title II (USFS RAC projects)	Sitka Schools Dist. Title I share	Statewide Total
2012	\$1,361,227	\$944,525	\$416,702.10	\$472,262	\$17,656,631.09
2013	\$1,266,774	\$850,072	\$416,702.10	\$425,036	\$16,431,476.72
2014	\$1,054,256	\$637,554	\$416,702.10	\$318,777	\$13,674,885.62
2015	\$894,868	\$478,166	\$416,702.10	\$239,083	\$11,607,436.79
2016	\$775,326	\$358,624	\$416,702.10	\$179,312	\$10,056,849.18
totals	\$5,352,452	\$3,268,941	\$2,083,511	\$1,634,471	\$69,427,279

As you can see, SRSCA provides significant funds for education and infrastructure to our community that we would otherwise not receive. For the State of Alaska, over a 5 year period this will mean over \$69 million to forested communities. The Sitka School Board has expended significant funds, time and effort on our own behalf and on behalf of all forested communities in this state to persuade the federal government to live up to the compact of 1908.

As a board, we urge legislative support for passage of House Joint Resolution No. 24 urging the US Congress to reauthorize the Secure Rural Schools and Communities Act of 2000. The time is of the essence as the House of Representatives will be putting forth their FY2012 budget on April 5, 2011. We hopefully will be part of that budget, but we truly need the support of everyone to make it happen.

We thank you for your efforts to raise the awareness of this issue and to give us a chance to educate our state and local governments. This is important funding that for some communities is critically important.

With warm regards,



Lon D. Garrison
President, Sitka School Board

"Educating Today's Children to Become Tomorrow's Leaders"



CITY OF PETERSBURG

P.O. BOX 329 • PETERSBURG, ALASKA 99833

TELEPHONE (907) 772-4519

FAX (907) 772-3759

March 25, 2011

To: Honorable Representative Peggy Wilson

Fr: City of Petersburg

Re: Secure Rural Schools Funding

Dear Representative Wilson:

On behalf of Mayor Dwyer and the Petersburg City Council – The City of Petersburg, Alaska has gone on record many times in support of any legislation that would provide assurances that our children will continue to have the opportunities to receive a quality education. Being able to provide a solid education foundation enables them to become and remain productive citizens, not only to our local community, but for our country as a whole.

Petersburg, a community that existed long before any federal lands were claimed and laws put into effect, is surrounded by the Tongass National Forest. The claiming of federal lands and the subsequent enacted laws have critically handicapped, if not nearly eliminated, one of our once traditional means of community economic stability – logging. With the continued restrictions being placed on the federal lands that surround our community (Roadless Rule) we experience a continued erosion of allowable means in which to sustain our way of life.

The Secure Rural Schools program is of critical importance to our public school system. Due to a struggling economy and continued restrictions for economic use of the lands surrounding our community, we cannot finance an adequate public school program on our own.

We endorse your efforts to urge the US Congress to approve a long-term authorization of the Secure Rural School Funding and Communities Self-Determination Act.

Thank you for your support for Petersburg and other once timber-dependent communities in Southeast.

Kathy O'Rear, MMC
City Clerk



**WRANGELL
PUBLIC SCHOOLS
DISTRICT OFFICE**

MAR 15 REC'D

P.O. BOX 2319
WRANGELL, ALASKA 99929
Telephone (907) 874-2347
Fax # (907) 874-3137

GATEWAY TO THE STIKINE

Resolution 11-02

A Resolution of the Wrangell Public School Board Supporting the Reauthorization and Extension of the Secure Rural Schools and Communities Self-Determination Act

Whereas, Congress recognized in the early 1990's that its decision to secure and retain lands in Federal ownership would deprive the communities in which the lands are located of revenues otherwise received if the lands were in private ownership; and

Whereas, Congress enacted (and subsequently amended) a law that required revenue derived from national forest lands be shared with communities in which lands are located for the benefit of education and roads; and

Whereas, in 1986, changes in the approach to managing our national forests resulted in steep declines in forest receipts paid to forest communities; and

Whereas, the enactment of the Secure Rural School and Communities Self-Determination Act of 2000 (PL 106-393) temporarily stabilized forest revenue payments to forest communities and gave forest communities much needed financial support to provide critical services that directly benefit the federal lands and the people who use the land; and

Whereas, the current Secure Rural School and Communities Self-Determination Act expires in 2011; and

Whereas, education is one of the critical services supported by Public Law 106-393; and

Whereas, failure to reauthorize and extend Public Law 106-393 will not only have a devastating effect on many forest communities across America, it will also severely impact the public education of students living in these forest communities;

THEREFORE BE IT RESOLVED, we respectfully request that a long-term re-authorization of the Secure Rural Schools and Communities Self-Determination Act be passed by Congress and signed into law by President Barak Obama.

ENACTED THIS 11 th DAY OF February, 2011.
Wrangell, Alaska

February 23 2011
School Board President

Rosinda Howell

March 8 2011
School Board Secretary

Susan Eagle

Sheila Finkenbinder

To: Rep. Peggy Wilson
Subject: RE: Secure Rural Schools Funding in CA

From: Skip Ryman [mailto:sryman@yakutatak.us]
Sent: Wednesday, March 30, 2011 3:29 PM
To: Jackie Douglas
Subject: Re: Secure Rural Schools Funding in CA

Thank you for an opportunity to be heard on this very important issue to the City and Borough of Yakutat, Alaska. As you may recall, we are actually funded as a result of an "accident" when the tax extender was attached to the stimulus package by the Senate and the House which had removed our funding originally was forced by temporal constraints to adopt it the second time. I am hopeful that this has not attached a stigma too difficult to overcome but we shall see.

Yakutat is a ten thousand square mile Borough, or county with only 650 residents. Seven thousand nine hundred of those square miles are federally owned. Our Borough contains significant portions of Glacier Bay National Park, Wrangell, St. Elias National Park, the Tongass National Forest and BLM lands. These federal land owners, through their policies, are the single most reason for our stagnant population growth. They simply control ninety percent or more of our economic potential. Although the Forest Service was founded for the explicit purpose of making money from their land holdings, their ability to do so has been directed almost exclusively to logging and logging related industry. When this was slowed by environmental policy, instead of looking to other enterprises, the Forest Service simply went into and remains in a "deep sleep" mode. Their inability to fulfill their founding responsibilities is the single most cause of the erosion of school funding for affected municipalities and counties.

A point in fact. The local USDA District office has received several million dollars in Federal Highway funds which they are using to build a large, free camping facility on a river, the fishery of which represents seventy percent of our local economy. The result will be less patronage in local lodges and bed and breakfasts and a reduction in commercial user days available to local guides and boat rentals. The Forest Service has seemingly abandoned their federally mandated role and taken on the mantra of the Park Service.

Secure Rural Schools funding (AKA old Forest Receipts) accounts for a full third of our school district funding. The inability of the federal government to build a fire under federal land managers does not negate the fact that our children need an education. Nor does it negate the responsibility for funding schools and roads assumed by the federal government when they withdrew these lands from local tax rolls. It's incredibly paradoxical that the first thing the federal government did when it arrived in this five thousand year old community and assumed ownership of land was to build and staff schools. That responsibility so readily and justly assumed cannot be ethically abandoned on the basis of ineffective land management.

Skip Ryman,
Manager, City and Borough of Yakutat

On 3/30/2011 1:53 PM, Jackie Douglas wrote:

Dear California Forest Coalition Members:

As you may know, the early DC proposal for reauthorizing SRSCA has us starting at 2011 funding levels which is a 39.6 reduction for CA from 2007 funding levels. Included in that early proposal is a continuous ramp down from there. Several of us are going to Washington DC next week to meet with our Senators, sharing that starting with draconian funding levels, and reducing from there is unacceptable to us.

Even though it's late notice, if any of you can share what partial, or full loss of SRSCA funding means to your schools, it will be helpful to us when talking with Congress. In this fiscal climate, reasons to reauthorize our program need to be very compelling, absent that, it will be too easy for Congress to "Just Say No". Please send any stories, and or impacts to your schools to me at jimf@tcoek12.org. Every little bit helps.

Sincerely,

Jim French, President
National Forest Counties & Schools Coalition

--
Jackie Douglas

MAA Coordinator & E-Rate Coordinator

CISC Leadership Symposium Coordinator

Administrative Assistant - National/California Forest Counties & Schools Coalition

Tehama County Department of Education

1135 Lincoln Street / P.O. Box 689, Red Bluff, CA 96080

530-528-7342 - jdouglas@tehamaschools.org

Cell # 530-200-1804

**CITY AND BOROUGH OF YAKUTAT, ALASKA
RESOLUTION 08-124**

NATIONAL FOREST COUNTIES & SCHOOLS COALITION

Purpose: Selection of Forest Reserve Payment System

Opting in/out of HR 1424 (PL 110-343 – Sect. 601(a), Division C) Safety Net

Whereas counties having United States National Forests within their boundaries have received Forest Reserve funds for roads and schools since the passage of the Agricultural Reapportionment Act of 1908 based on revenues generated from these forests; and

Whereas these counties have substantial areas of land in public ownership which can neither be developed nor taxed to generate revenue from economic activity or taxation; and

Whereas during most of the 20th century Forest Reserve payments were a consistent but cyclical source of income for schools and counties; and

Whereas during the past decade changes in public policy at the national revenue have substantially reduced and in some cases virtually eliminated economic activity on national forests; and

Whereas the demands for education and roads have in most jurisdictions continually increased while Forest Reserve revenues have declined; and

Whereas the Congress of the United States recognizing the existence of the above mentioned conditions has seen fit to pass PL 110-343, which provides a four (4) year safety net whereby counties may either receive the traditional annual payment from the Forest Service (and/or BLM) or select four years of payments based on a formula provided in the legislation.

Whereas PL 110-343 specifies that each forest county has an option to select either: (a) remaining on the traditional 25% Forest Reserve Receipts payment system or (b) selecting the full payment system set forth in Title I of PL 110-343; and

Whereas it is understood that counties which select the PL 110-343 full payment (safety net) option are doing so for the full four (4) year life of the bill; and

Whereas it is further understood, that those counties who select to remain on the traditional 25% Forest Reserve Receipt system, are obligating themselves for a two year period, and will have the option of changing to the PL 110-343 safety net system after the second year of the bill.

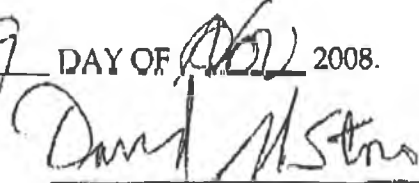
Be it therefore resolved that City and Borough of Yakutat and its impacted school districts, hereby select to receive their forest reserve payments as set forth below (specify one):

- Traditional 25% Forest Reserve Receipts – 1908 Act (7 year rolling average)
- Full Safety Net Payment amount as per PL 110-343; and

Be it further resolved that this selection be communicated to the Governor of the State of Alaska, by November 10, 2008; and

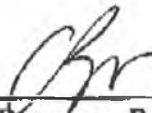
Be it further resolved that all jurisdictions receiving Forest Reserve Funds within City and Borough of Yakutat receive a copy of this resolution for their official records as soon as it is officially adopted.

PASSED AND APPROVED THIS 9 DAY OF NOV 2008.



MAYOR DAVID STONE

ATTEST:


Cathy Bremner, Borough Clerk





WESTERN GOVERNORS' ASSOCIATION

Brian Schweitzer
Governor of Montana
Chairman

C.L. "Butch" Otter
Governor of Idaho
Vice Chairman

Pam O. Inmann
Executive Director

Headquarters:
1600 Broadway
Suite 1700
Denver, CO 80202

303-623-9378
Fax 303-534-7309

Washington, D.C. Office:
400 N. Capitol Street, N.W.
Suite 388
Washington, D.C. 20001

202-624-5402
Fax 202-624-7707

www.westgov.org

January 27, 2010

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave. S.W.
Washington, DC 20250

The Honorable Arne Duncan
Secretary of Education
400 Maryland Ave., S.W.
Rm. 7W301
Washington DC 20472

The Honorable Ken Salazar
Secretary of the Interior
U.S. Department of the Interior
1849 C Street, N.W., Room 6151
Washington, DC 20240

The Honorable Janet Napolitano
Secretary of Homeland Security
245 Murray Lane, SW
Washington, DC 20528

Dear Secretaries Vilsack, Salazar, Duncan and Napolitano:

We are writing to urge you to support a multi-year reauthorization of the Secure Rural Schools and Community Self-Determination Act of 2000 (SRSCA P.L. 106-393). If the Act is not reauthorized, it will result in severe budget cuts to education and jobs programs and to vital services in rural counties, communities and schools.

When the National Forest System was created in 1907, Congress recognized that communities located in these areas would be deprived of opportunities for economic development and much-needed tax revenues. With this in mind, an agreement was reached that clearly promised benefits to rural communities and that agreement should not be broken now. Ten years ago, Congress recognized the adverse consequences of declining timber sales and agreed to provide annual safety-net payments to support counties, schools and roads based on historic timber revenue levels between 1986 and 1999.

The revenue sharing provisions of SRSCA are vital but, just as importantly, it provides support for federal and non-federal emergency response, wildfire mitigation, habitat improvement and watershed restoration. In 2008, the modifications to Title III of the SRSCA reauthorization exemplified the importance of building community capacity through the development of a Community Wildfire Protection Plan. The CWPP collaborative process is effective in improving coordination and communication between emergency response agencies and the community, regardless of the event.

Our rural communities are already facing a fiscal deficit due to higher unemployment and reduced revenue-sharing from our federal lands. Severely declining payments threaten serious harm in 2011 for many

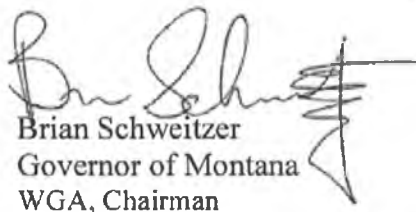
The Honorable Tom Vilsack
The Honorable Ken Salazar
The Honorable Arne Duncan
The Honorable Janet Napolitano
January 27, 2010
Page 2

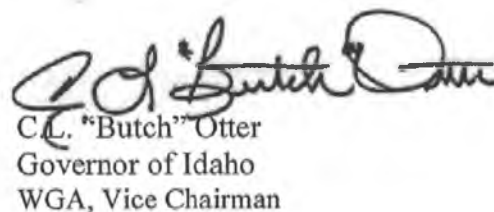
communities, and financial collapse in 2012, when payments will end altogether without reauthorization. Schools and counties will be forced to: terminate hundreds of thousands of county employees; cancel thousands of teacher contracts; close hundreds of libraries; and curtail or eliminate sheriff patrols, rescue operations, mental health care services and substance abuse programs. In fact, some counties and school districts will consider filing for bankruptcy.

Sadly, many rural communities are already experiencing high poverty rates and this correlates to a high need for substance abuse treatment and mental health care services. Today, the SRSCA aids over 9 million school children in 4,400 school districts in 39 states. Stresses on service delivery capabilities are already resulting from declining SRSCA payments, with substantial additional declines each year, including a very steep drop in funding for fiscal year 2011. Without reauthorization of the SRSCA before 2012, these needs will go completely unmet in 2012 and beyond. Western Governors recognize that the Secure Rural Schools and Community Self-Determination Act is an integral part of the states' and rural counties' ability to deliver public services to thousands of communities throughout the nation.

The Western Governors' Association supports efforts that will ensure forest-dependent counties continue to receive a fair share of guaranteed revenue. We strongly urge you to make a commitment this year to include a reauthorization of the SRSCA in President Obama's FY 2012 budget. Thank you for your attention to this critical issue.

Sincerely,


Brian Schweitzer
Governor of Montana
WGA, Chairman


C.L. "Butch" Otter
Governor of Idaho
WGA, Vice Chairman

United States Senate

WASHINGTON, DC 20510

July 14, 2010

The President
The White House
Washington, DC 20500

Dear Mr. President:

We respectfully request that you include a long-term reauthorization of the Secure Rural Schools and Communities Self-Determination Act (SRSCA), and the concomitant funding, in your Fiscal Year (FY) 2012 budget request to Congress.

The SRSCA is not an entitlement program, but rather a demonstration of the commitment that this nation made to rural forest counties when it determined that large blocks (193 million acres in total) of our forest lands should be set aside for the benefit of the entire nation. Indeed this "contract" between the federal government and rural America is part of the very foundation of our national forest system. President Theodore Roosevelt understood the value of conserving our forest lands and placing them in public trust. He likewise understood the economic burden this placed on rural counties to provide essential infrastructure like roads and public schools with their tax revenues reduced by the presence of federal lands in these counties.

To mitigate these economic effects, President Roosevelt and Forest Service Chief Gifford Pinchot supported a revenue sharing concept that made forest counties a contracted business partner with the federal government. In 1908, Congress approved a revenue sharing plan specifying 25 percent of all revenues from National Forests would be returned to forested counties. This law worked well for nearly a century. However, by the late 1980's national policies and court rulings substantially diminished revenue generating activity in our national forests. By 1998, revenues for national forest counties had declined by over 70 percent. The decline had a devastating impact on 780 counties nationwide and over nine million school children.

Recognizing its obligation to rural America, Congress passed the Secure Rural Schools and Communities Self-Determination Act of 2000, and President Bill Clinton signed the bill. It provided six years of funding. In 2007, Congress extended the SRSCA for one year. In 2008, Congress once again provided a four year extension of the SRSCA from 2008-2011.

Timber harvests have not rebounded, so both the logic and the need for this program remain as strong today as when President Roosevelt first supported revenue sharing. The vast majority of the funds provided through the SRSCA are used to directly fund jobs in road maintenance and public works and positions within the public school system. These are essential services for the citizens of these rural communities and constitute family-wage jobs.

Failure to extend the SRSCA in 2012 would have a devastating impact on the economies of over 780 of our most rural and most economically depressed counties and school districts across the nation. In these counties, unemployment is higher than in other regions of the country with rates approaching those experienced in the Great Depression.

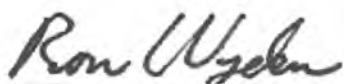
Failure to extend the SRSCA would lead to an annual payment loss of \$468 million starting in 2012-13. The economic impacts will be ongoing without an extension. This includes support for construction, roads, education, conservation, and various other government funded services and projects. The loss of the funding leads to various businesses throughout the United States, mainly in rural America, losing on an annual basis almost \$1.37 billion in revenues, government at all levels losing over \$188 million in tax receipts and over 11,000 people losing their jobs in 2012-13.

In addition, Title II of the SRSCA has proven to be a substantial asset to rural communities and our forested public lands. Since 2000, in a very collaborative process, over \$350 million has been invested in watershed restoration and forest health projects by Resource Advisory Committees (RACs). Not one project has been appealed or litigated. In fact, based on changes in the 2008 Act, the number of RACs has grown from 55 to 116.

We are grateful that you appreciate the importance of the Secure Rural Schools and Communities Self-Determination Act. In May 2008, you stated in an interview with the Eugene Register-Guard, "I completely agree that it's [SRSCA] an obligation we have to meet. I think that we're not meeting it well right now because we're doing it piecemeal year after year by year. . . ." Those words send a strong message about the need to support this ongoing commitment to rural America.

We look forward to meeting with you and your administration to continue this historic partnership with rural America.

Sincerely,



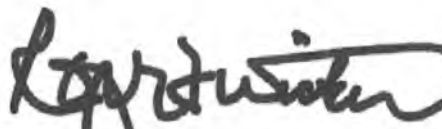
Ron Wyden
United States Senator



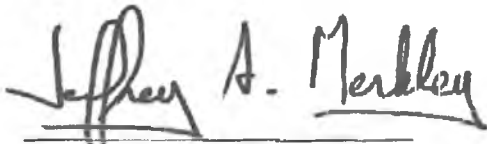
Mike Crapo
United States Senator



Blanche L. Lincoln
United States Senator



Roger F. Wicker
United States Senator



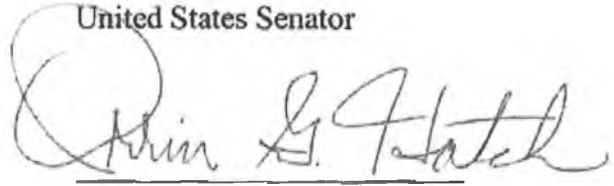
Jeff Merkley
United States Senator



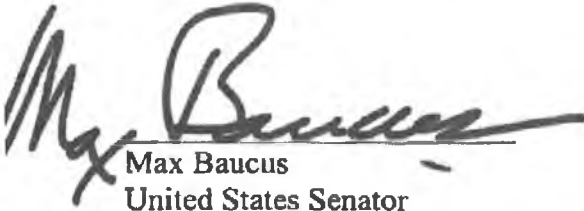
James E. Risch
United States Senator



Claire McCaskill
United States Senator



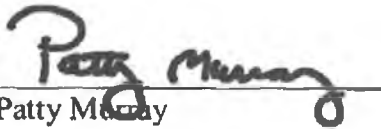
Orrin G. Hatch
United States Senator



Max Baucus
United States Senator



Lisa Murkowski
United States Senator



Patty Murray
United States Senator



John Ensign
United States Senator



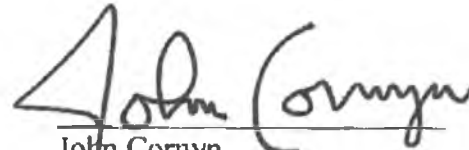
John D. Rockefeller IV
United States Senator



Christopher S. Bond
United States Senator



Jon Tester
United States Senator



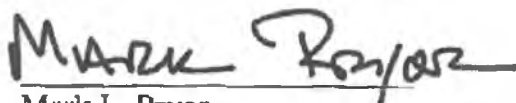
John Cornyn
United States Senator



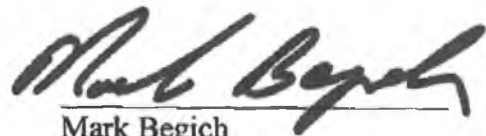
Robert P. Casey, Jr.
United States Senator



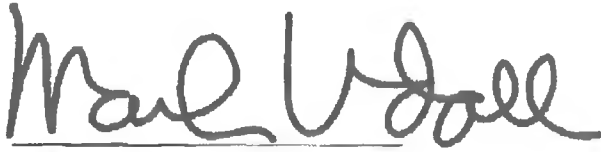
Robert F. Bennett
United States Senator



Mark L. Pryor
United States Senator



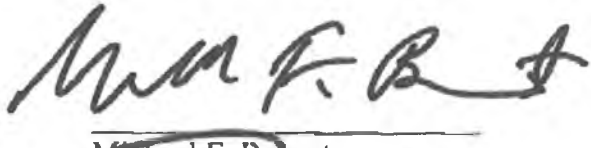
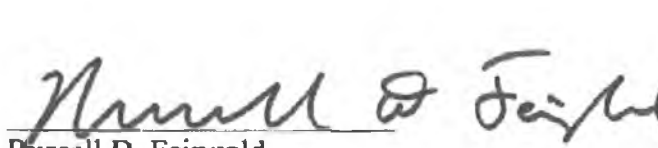
Mark Begich
United States Senator



Mark Udall
United States Senator

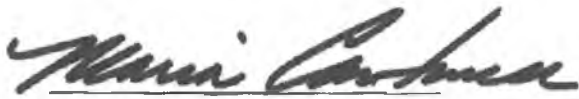


Barbara Boxer
United States Senator

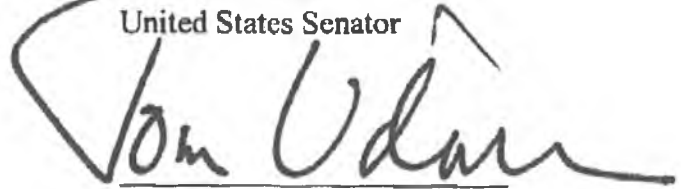


Russell D. Feingold
United States Senator

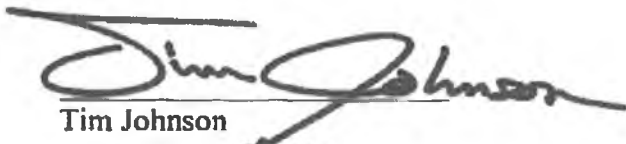
Michael F. Bennet
United States Senator



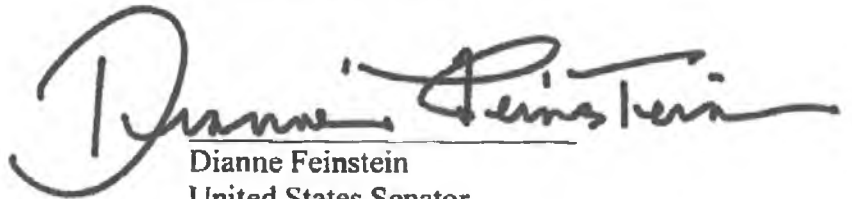
Maria Cantwell
United States Senator



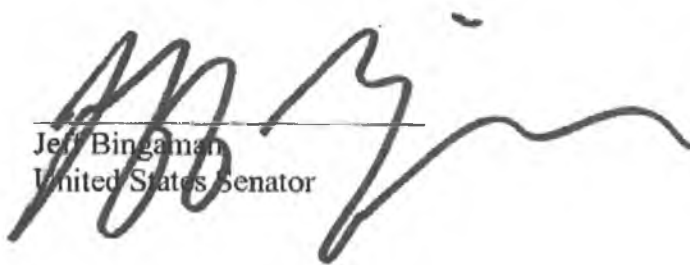
Tom Udall
United States Senator



Tim Johnson
United States Senator



Dianne Feinstein
United States Senator



Jeff Bingaman
United States Senator

Congress of the United States
Washington, DC 20515

July 15, 2010

President Barack Obama
President of the United States
1600 Pennsylvania Avenue NW
Washington, DC 20500-0001

Dear President Obama,

We respectfully request that you include a long-term reauthorization of the Secure Rural Schools and Communities Self-Determination Act (SRSCA), and the concomitant funding, in your Fiscal Year (FY) 2012 budget request to Congress.

The SRSCA is not an entitlement program, but rather a demonstration of the commitment that this nation made to rural forest counties when they determined that large blocks (193 million acres in total) of our forest lands should be set aside for the benefit of the entire nation. Indeed this "contract" between the federal government and rural America is part of the very foundation of our national forest system. President Theodore Roosevelt understood the value of conserving our forest lands and placing them in public trust. He likewise understood the economic burden this placed on rural counties to provide essential infrastructure like roads and public schools with their tax revenues reduced by the presence of federal lands in these counties.

To mitigate these economic effects, President Roosevelt and Forest Service Chief Gifford Pinchot supported a revenue sharing concept that made forest counties a contracted business partner with the federal government. In 1908, Congress approved a revenue sharing plan specifying 25 percent of all revenues from National Forests would be returned to forested counties. This law worked well for nearly a century. However, by the late 1980's national policies and court rulings substantially diminished revenue generating activity in our national forests. By 1998, revenues for national forest counties had declined by over 70 percent. The decline had a devastating impact on 780 counties nationwide and over nine million school children.

Recognizing its obligation to rural America, Congress passed the Secure Rural Schools and Communities Self-Determination Act of 2000, and President Bill Clinton signed the bill. It provided six years of funding. In 2007, Congress extended the SRSCA for one year. In 2008, Congress once again provided a four year extension of the SRSCA from 2008-2011.

Timber harvests have not rebounded, so both the logic and the need for this program remain as strong today as when President Roosevelt first supported revenue

sharing. The vast majority of the funds provided through the SRSCA are used to directly fund jobs in road maintenance and public works and positions within the public school system. These are essential services for the citizens of these rural communities and constitute family-wage earner jobs.

Failure to extend the SRSCA in 2012 would have a devastating impact on the economies of over 780 of our most rural and most economically depressed counties and school districts across the nation. In these counties, unemployment is higher than in other regions of the country with rates approaching those experienced in the Great Depression.

Failure to extend the SRSCA would lead to an annual payment loss of \$468 million dollars starting in 2012-13. The economic impacts will be ongoing without an extension. This includes support for construction, roads, education, conservation, and various other government funded services and projects. The loss of the funding leads to various businesses throughout the United States, mainly in rural America, losing on an annual basis almost \$1.37 billion in revenues, government at all levels losing over \$188 million in tax receipts and over 11,000 people losing their jobs in 2012-13.

In addition, Title II of the SRSCA has proven to be a substantial asset to rural communities and our forested public lands. Since 2000, in a very collaborative process, over \$350 million has been invested in watershed restoration and forest health projects by Resource Advisory Committees (RACs). Not one project has been appealed or litigated. In fact, based on changes in the 2008 Act, the number of RACs has grown from 55 to 116.

We are grateful that you appreciate the importance of the Secure Rural Schools and Communities Self-Determination Act. In May 2008, you stated in an interview with the Eugene Register-Guard, "I completely agree that it's [SRSCA] an obligation we have to meet. I think that we're not meeting it well right now because we're doing it piecemeal year after year by year. . . ." Those words send a strong message about the need to support this ongoing commitment to rural America.


We look forward to meeting with you and your administration to draft legislation to continue this historic partnership with rural America.

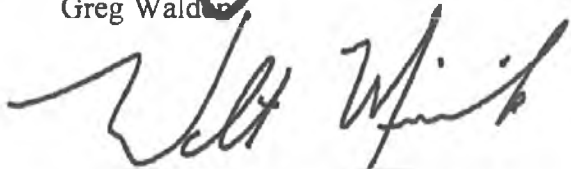
Sincerely,

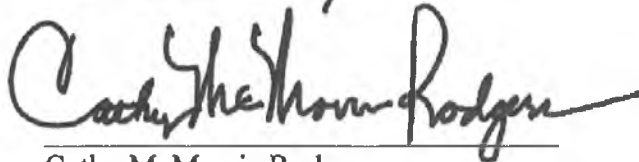

Travis W. Childers



Peter DeFazio



Kurt Schrader



Greg Walden

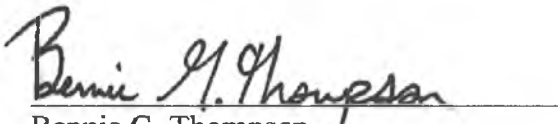

Walt Minnick


Cathy McMorris Rodgers



David Wu

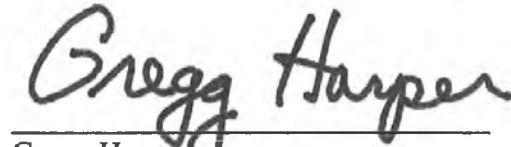

Tom McClintock


Rick Larsen



Bennie G. Thompson

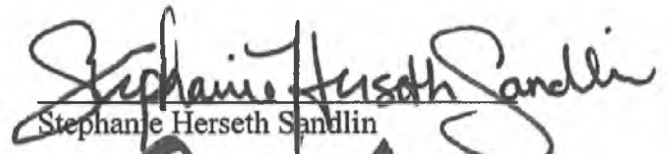

Heath Shuler

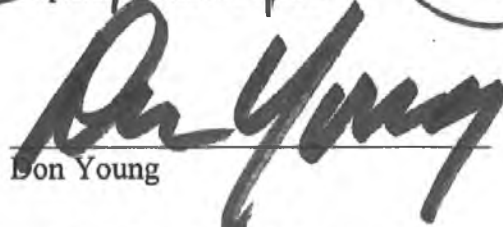

Mike Ross

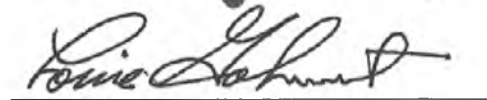

Gregg Harper

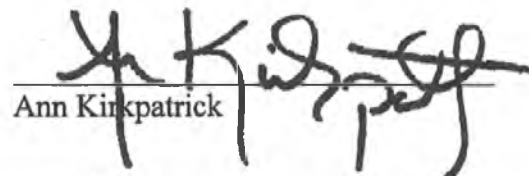

Jo Ann Emerson

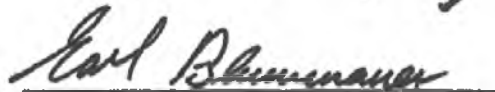

Joe Barton



Stephanie Herseth Sandlin


Don Young


Louie Gohmert


Ann Kirkpatrick


Earl Blumenauer

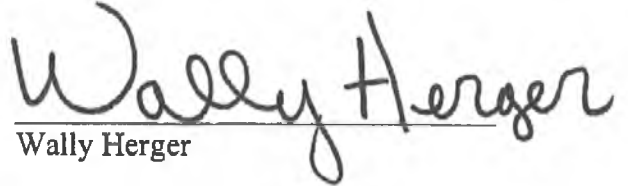

Ben Ray Luján



Glenn "GT" Thompson



Harry Teague



Nick Rahall

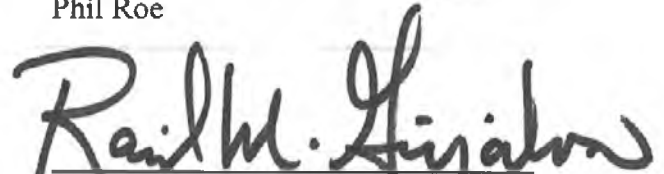

Brian Baird


Wally Herger

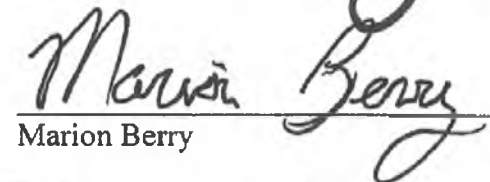

Rob Bishop



Phil Roe



Jim Matheson

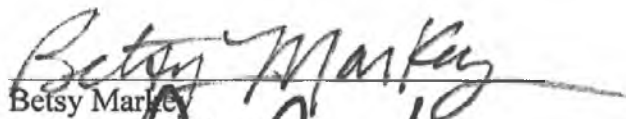

Raúl Grijalva


Doc Hastings

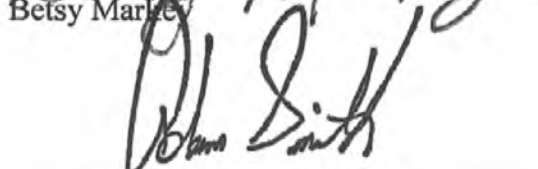

Marion Berry



Jason Chaffetz


Denny Rehberg


Betsy Markey


Jim McDermott


Adam Smith


Russ Carnahan

Jim Oberstar

James L. Oberstar

Norm Dicks

Norman D. Dicks

John Shadegg

John Shadegg

Vic Snyder

Vic Snyder

Mike Simpson

Michael K. Simpson

Daniel E. Lungren

Daniel E. Lungren

Rick Boucher

Rick Boucher

Gene Taylor

Gene Taylor

Jay Inslee

Jay Inslee

Cynthia Lummis

Cynthia Lummis

Devin Nunes

Devin Nunes

David G. Reichert

David G. Reichert

Debbie Halvorson

Debbie Halvorson

John Salazar

John Salazar

Jared Polis

Jared Polis

Allen Boyd

Allen Boyd

Kevin Brady

Kevin Brady

John Boozman

John Boozman

Lois Capps

Lois Capps

Parker Griffith

Parker Griffith

Dean Heller

Dean Heller

Bart Stupak

Bart Stupak

Bobby Bright

Bobby Bright

Shelley Moore Capito

Shelley Moore Capito

John J. Duncan, Jr.

John J. Duncan, Jr.

Dan Boren

Dan Boren

Roy Blunt

Roy Blunt

Martin Heinrich

Martin Heinrich

Ike Skelton

Ike Skelton

Gabrielle Giffords

Gabrielle Giffords

George Radanovich

George Radanovich



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

AUG 31 2010

The Honorable Peter A. DeFazio
U.S. House of Representatives
2134 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman DeFazio:

Thank you for your letter of July 15, 2010, cosigned by your colleagues, to President Barack Obama, requesting that a long-term reauthorization of the Secure Rural Schools and Community Self-Determination Act (the Act) and concomitant funding be included in the fiscal year (FY) 2012 budget request to Congress. The President has asked me to respond to you. I regret the delay in my response.

The Department of Agriculture (USDA) shares the concerns of the Congress and citizens in rural America. I am committed to working with the Congress, on both sides of the aisle, in finding a long-term resolution to this issue.

The reauthorization of the Act will be carefully considered as the proposed FY 2012 budget is formulated. Under current law, the last payment under the Act, for FY 2011, will be made in calendar year 2012.

The Act has provided a decade of transitioning payments to eligible States and counties to help fund public schools and roads and has provided predictably declining payments to States. It as well has provided an important boost to collaborative, community-based forest restoration and forest health solutions through title II and the Resource Advisory Committees authorized by the bill. Presently, we have the challenge of determining the proper course for the future of this program, including the determination of how to pay for the continuation of program.

This issue is very important to USDA, and I look forward to working with the Congress, in finding a long-term, bipartisan resolution to this issue.

Again, thank you for writing to President Obama. A similar response is being sent to your colleagues.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Vilsack", written in a cursive style.

Thomas J. Vilsack
Secretary

GOP Budget Prioritizes County Payments



Listen Weekdays:
Dave Clemens, Debbie Bevez, Kit Mann

Buzz up!



Rep. Greg Walden

April 06, 2011 08:15 am
Glenn Vaagen

BEND, OR -- The federal budget proposal released Monday evening by House Republicans would make county timber payments a priority. Representative Greg Walden, joined by the rest of the Oregon House delegation, said the effort to fund these payments is far from over, but inclusion in the budget is an important first step.

"The Budget Committee has acknowledged in these very difficult and lean economic times that county timber payments are an important lifeline for rural forested communities. This is a small but very important first step toward keeping the federal government's commitment to rural Oregon. We have a lot of work before us in the House and Senate and I look forward to our delegation continuing our bipartisan outreach across Capitol Hill to maintain support for forested communities throughout the federal budget process."

Walden added that funding county payments in FY 2012 would ensure rural counties have the resources to provide essential services like emergency services, health care, and schools while Congress works to find long-term funding solutions for timber dependent communities.

Here is the letter, sent by the Oregon House delegation, in its entirety:

March 22, 2011

Dear Chairman Ryan and Ranking Member Van Hollen:

We request your assistance as we work with our rural counties to identify solutions to extend and fund the Secure Rural Schools and Community Self-Determination Act of 2000 ("SRS," P.L. 94-565) in FY 2012 and beyond. Furthermore, we request that the House Budget Committee accommodate this reauthorization in its FY 2012 House Budget Resolution. This is an important issue impacting jobs and the funding of schools and emergency services in our rural counties.

We understand well the current budgetary climate and the need to reduce deficit spending, and support offsetting a long-term reauthorization of SRS. Furthermore, we appreciate your willingness to work with us and the authorizing committees in the coming months to help identify legitimate offsets that sustainably fund this important rural priority without adding to the growing federal deficit.

With the establishment of the National Forest System between 1891 and 1911 by Congressional action and Presidential Proclamation, hundreds of millions of forestland acres throughout the United States were set aside

in perpetuity and removed from further settlement. These new forest reserves, which were to be managed by the U.S. Forest Service, in many cases consumed between 65 to 90 percent of the land in rural western, southeastern and southern counties. Setting aside large blocks of public lands and the ongoing acquisition of large tracks of private forestlands since have diminished the potential tax base and ability for the counties to generate economic activity.

Congress in 1908 and subsequently in 1913 acknowledged the enormous collective impact these actions had on counties and their ability to fund essential services, including the education of rural school children, the maintenance of rural roads and infrastructure, and the provision of emergency services. President Theodore Roosevelt signed into law the Twenty-five Percent Fund Act of 1908 (16 USC. 500) and in 1913 amendments were made to the Weeks Act, which created a revenue sharing mechanism specifying that 25 percent of all revenues generated from the multiple-use management of our national forests would be shared with the counties for "the benefit of the public schools and public roads in the county or counties in which such national forests are situated". Through this action, Congress committed to a long-term partnership referred to by many as a "compact" and recognized as a fundamental obligation of the federal government in exchange for establishing the National Forest System.

The intent of Congress that our national forests be managed in a sustained multiple-use manner to provide revenues for local counties and the federal treasury in perpetuity worked well from 1908 until about 1986. From 1986 to the present, due to reduced active management of our federal forests and increased protections for species on federal lands, these revenues dropped precipitously (as much as 99 percent in some counties and on average 70 percent nationwide).

Congress responded by passing the Secure Rural Schools and Community Self-Determination Act in 2000. In many rural counties once dependent on timber revenue, these payments are the lifeblood of local schools and community essential services. The legislation also created highly successful "Resource Advisory Committees," which have brought polarized groups together to conduct hundreds of restoration projects on national forests across the country without being litigated or appealed.

In 2007, Congress reauthorized this important law and extended SRS payments for one year to help rural counties and schools avert a major financial crisis. In October 2008, Congress reauthorized the SRS legislation for four years as part of H.R. 1424, the Emergency Economic Stabilization Act of 2008. The reauthorization provided rural counties with four years of payments on a declining scale for fiscal years 2008-2011.

While the four-year reauthorization of the Secure Rural Schools and Community Self-Determination Act was a rare legislative accomplishment that helped preserve and create jobs across America, rural counties are again facing a budgetary cliff after they receive the final SRS payment in FY 2011. In response to this ongoing issue, we need a meaningful and long-term solution that will help ensure rural communities have the resources they need to provide basic county services.

Congress made a promise to these counties more than 100 years ago and we intend to do all that we can to make sure Congress honors its commitment. Accommodating the reauthorization of the SRS, while showing that it will be offset by the relevant authorizing committees in the FY 2012 House Budget Resolution, will go a long way in demonstrating Congress's commitment and responsibility to the economic security and sustainability of our rural counties.

Thank you for your attention and consideration to this important issue. We look forward to working with you and the appropriate authorizing committees to develop a plan for reauthorizing the Secure Rural Schools and Community Self-Determination Act.

Sincerely,

Greg Walden Peter DeFazio Kurt Schrader
Member of Congress Member of Congress Member of Congress

Earl Blumenauer David Wu
Member of Congress Member of Congress

The History ...

Secure Rural Schools and Community Self-Determination Act History...

A Tradition of Conservation and Commitment

On March 3, 1891 the President of the United States, Benjamin Harrison, was given the authority to create Forest Reserves. Passage of the Forest Reserve Act created concern in many rural communities, as large blocks of land originally intended for settlement and economic development were no longer available for that use. In 1891, Western and Southern communities were highly dependent upon these lands for grazing, timber, and water. In addition to concerns over the potential economic impacts of this action, especially to schools and roads, many citizens were apprehensive about the federal, rather than local, management of these lands.

These concerns provided the impetus for Congress, in 1897, to specify the purpose of the Forest Reserves:

- 1) The lands placed in the Reserves would be improved and protected;
- 2) The lands placed in the Reserves would secure favorable conditions for water flow;
- 3) The lands placed in the Reserves would furnish a continual supply of timber to meet the needs of the citizens of the United States.

This additional specificity did little to assuage concerns in the West and protests soon erupted. In Rapid City, South Dakota, over 30,000 people gathered to object to the establishment of the Black Hills Forest Reserve on the grounds that it would be disastrous to the economy of South Dakota.

In 1905, the Forest Reserves were renamed the U.S. National Forest, and the U.S. Forest Service was founded to manage the set-aside lands. Subsequent Presidents continued to set aside lands, even as concern and opposition continued to grow.

President Theodore Roosevelt and Gifford Pinchot, Chief of the Forest Service, were so concerned about the growing opposition, and feared that it would jeopardize the future of the U.S. National Forests, that they proposed a new concept - revenue sharing. In 1906, they proposed - and Congress approved - a bill that specified that 10% of all revenues generated on National Forests would be returned to the counties that housed these forests. The dollars were to be used for the maintenance of county roads and public schools.

In a classic showdown, county officials finally said, "no deal" and in 1908, Congress increased the revenue to be shared with counties and schools to 25%.

For 100 years... this 1908 revenue sharing program has been the law. Since 1908, this program has protected our National Forests for the enjoyment of all citizens, provided a clean and safe drinking water supply (both urban and rural) across the nation, and supported services in rural counties and schools.

From 1908 until the 1980's this revenue sharing system worked well for the forest counties and schools. Management of the lands provided a steady and significant income stream. By the late 1980's, however, national policy caused a precipitous decline in the use of these lands for grazing, timber management, and mining. As a result, U.S. Forest Service revenues dramatically declined, as did the receipts to support rural communities and schools. By 1998, these revenues had declined by over 70%, creating financial crisis for rural communities!

National Forest Counties & Schools Coalition Created

In response to this crisis, county commissioners, school leaders, and concerned citizens from forest counties nationwide formed the National Forest Counties & Schools Coalition (NFCSC) in 1998.

The Secure Rural Schools and Community Self-Determination Act (SRSCA)

In October of 2000, the Secure Rural Schools and Community Self-Determination Act (SRSCA) was signed into law. This bill provided payments to rural counties for services and to fund public schools. Furthermore, it provided dollars for counties to invest in the restoration and enhancement of National Forests. To identify worthy restoration projects, local communities formed Resource Advisory Committees (RACs) composed of a broad spectrum of stakeholders. Resource Advisory Committees are truly a success story, completing thousands of projects on National Forest lands without a single lawsuit or appeal. Additionally, SRSCA funds emergency and search and rescue operations on National Forest lands.

Today, the Secure Rural Schools and Community Self-Determination Act is a national success story. Dollars from SRSCA:

- Provides tens of thousands of jobs in 41 States
- Support school programs for over 9,000,000 children
- Fund county programs for health care, search and rescue operations, and maintenance of roads and bridges
- Restore and enhance National Forests through enhancement projects and





Fate of Secure Rural Schools Act Unclear

This article appeared in the September 2010 Rural Policy Matters.

Editor's note: Links are free and current at time of posting, but may require registration or expire over time.

The federal legislation that provides funding to rural school districts located in many of the nation's timber counties is set to expire in 2011. Whether or not it will be renewed is uncertain as Congress wrangles over the budget process.

The Secure Rural Schools and Community Self-Determination Act (SRS) provides funding to districts to offset some of the loss of timber revenues in counties with national forests. First authorized in 2000, the Secure Rural Schools Act was an attempt to help counties and schools adjust to dramatic decreases in funding resulting from restrictions on timbering in National Forests located in their jurisdictions. The Act was renewed in 2008.

About \$419 million in SRS funding will be allocated in 2010 to 729 rural counties, parishes, and boroughs in 41 states. The funding will reach some 9 million rural students.

Supporters argue that the SRS provides revenue necessary for maintaining roads and essential services and supporting schools in rural forest counties. Many of these counties are relatively high-poverty and have few sources of taxable wealth. Critics say the SRS was intended to be a short-term transition for affected counties.

For more information, visit the website of the [Partnership for Rural America](#), which advocates for funding for the SRS.

Read more from the September 2010 Rural Policy Matters.

Rural Policy Matters is published monthly by the Rural School and Community Trust. For subscription information visit http://www.ruraledu.org/cms.php?action=keep_connected.

Comments, questions, and contributions for Rural Policy Matters should be sent to:

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Phone: (802) 728-5899 | Fax: (802) 728-2011
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Robin Lambert, Editor
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National Office

1530 Wilson Blvd., Suite 240 | Arlington, VA 22209
Phone: (703) 243-1487 | FAX: (703) 243-6035
E-mail: info@ruraledu.org

**FY 11 National Forest Receipts Program (Secure Rural Schools)
Title I Payment List**

Municipality/ Rural Educational Attendance Area (REAA)	Payment Amount
Haines Borough	\$ 367,524
City and Borough of Juneau	\$ 815,850
Ketchikan Gateway Borough	\$ 1,229,685
City and Borough of Sitka	\$ 1,150,914
City and Borough of Yakutat	\$ 656,704
Municipality of Anchorage	\$ 104,563
Kenai Peninsula Borough	\$ 645,783
Kodiak Island Borough	\$ 1,462
Matanuska-Susitna Borough	\$ 32,219
City of Petersburg	\$ 1,460,753
City and Borough of Wrangell	\$ 1,495,061
City of Craig	\$ 910,402
City of Hoonah	\$ 319,739
City of Kake	\$ 293,431
City of Klawock	\$ 405,750
City of Pelican	\$ 38,858
Municipality of Skagway	\$ 28,800
City of Angoon	\$ 31,892
City of Coffman Cove	\$ 83,483
City of Gustavus	\$ 129,435
City of Kasaan	\$ 35,127
City of Port Alexander	\$ 5,184
City of Tenakee Springs	\$ 10,368
City of Thorne Bay	\$ 143,660
Annette Island School District	\$ 735,771
Chatham School District	\$ 415,807
Southeast Island School District	\$ 373,801
City of Cordova	\$ 1,180,532
City of Valdez	\$ 2,198,775
Chugach School District	\$ 188,822
City of Whittier	\$ 59,111
City of Hydaburg	\$ 163,562
Metlakatla Community Dev. Corp.	\$ 144,738
State of Alaska/DOTPF	\$ 170,000
Total	\$ 16,027,565



All Service Receipts (ASR)

Final Payment Summary Report PNF (ASR-10-01)

Fiscal Year : 2009

National : YES

Run Date : 01/22/2010

Region: NA

Admin Unit : NA

PNF : NA

State : NA

County : NA

Cong. District : NA

State	Acres	25% 7 Year Rolling Average Payment	Formula / Transition Payment	ASR Acts Payment	Total Payment	Average Payment Per Acre
ALABAMA (01)	668,975	\$0.00	\$2,236,181.61	\$0.00	\$2,236,181.61	\$3.34
ALASKA (02)	21,965,908	\$0.00	\$18,760,459.69	\$0.00	\$18,760,459.69	\$0.85
ARIZONA (04)	11,264,670	\$0.00	\$16,688,162.30	\$0.00	\$16,688,162.30	\$1.48
ARKANSAS (05)	2,598,649	\$47,077.46	\$8,309,598.65	\$0.77	\$8,356,676.88	\$3.22
CALIFORNIA (06)	20,789,711	\$2,677,937.96	\$50,125,615.83	\$0.00	\$52,803,553.79	\$2.54
COLORADO (08)	13,883,891	\$2,518,684.56	\$14,641,261.61	\$0.00	\$17,159,946.17	\$1.24
FLORIDA (12)	1,176,201	\$461.81	\$2,862,312.71	\$0.00	\$2,862,774.52	\$2.43
GEORGIA (13)	866,253	\$0.00	\$1,864,094.56	\$0.00	\$1,864,094.56	\$2.15
IDAHO (16)	20,416,939	\$1.67	\$34,899,666.19	\$0.00	\$34,899,667.86	\$1.71
ILLINOIS (17)	297,654	\$6,169.32	\$107,585.49	\$0.00	\$113,754.81	\$0.38
INDIANA (18)	202,420	\$0.00	\$337,400.95	\$0.00	\$337,400.95	\$1.67
KENTUCKY (21)	814,045	\$0.00	\$2,596,891.48	\$0.00	\$2,596,891.48	\$3.19
LOUISIANA (22)	604,373	\$0.00	\$2,620,068.43	\$0.00	\$2,620,068.43	\$4.34
MAINE (23)	53,709	\$0.00	\$99,274.55	\$0.00	\$99,274.55	\$1.85
MICHIGAN (26)	2,874,970	\$953,762.21	\$3,397,132.53	\$0.00	\$4,350,894.74	\$1.51
MINNESOTA (27)	2,840,803	\$100.93	\$3,300,075.13	\$6,150,000.00	\$9,450,176.06	\$3.33
MISSISSIPPI (28)	1,173,863	\$0.00	\$7,705,738.18	\$0.00	\$7,705,738.18	\$6.56
MISSOURI (29)	1,492,238	\$0.00	\$4,681,714.52	\$0.00	\$4,681,714.52	\$3.14
MONTANA (30)	16,969,154	\$95,457.89	\$24,523,555.15	\$0.00	\$24,619,013.04	\$1.45
NEBRASKA (31)	257,783	\$0.00	\$584,375.69	\$0.00	\$584,375.69	\$2.27
NEVADA (32)	5,764,024	\$34,940.97	\$5,174,213.10	\$0.00	\$5,209,154.07	\$0.90
NEW HAMPSHIRE (33)	735,512	\$349,356.28	\$275,185.23	\$0.00	\$624,541.51	\$0.85
NEW MEXICO (35)	9,187,225	\$0.00	\$18,185,891.96	\$0.00	\$18,185,891.96	\$1.98
NEW YORK (36)	16,228	\$0.00	\$29,464.13	\$0.00	\$29,464.13	\$1.82
NORTH CAROLINA (37)	1,255,204	\$0.00	\$2,326,601.17	\$0.00	\$2,326,601.17	\$1.85
NORTH DAKOTA (38)	743	\$0.00	\$790.99	\$0.00	\$790.99	\$1.06
OHIO (39)	241,052	\$9,868.22	\$339,674.09	\$0.00	\$349,542.31	\$1.45

Note: PCPI data for year 2007 is used for Formula Payment Calculation

State	Acres	25% 7 Year Rolling Average Payment	Formula / Transition Payment	ASR Acts Payment	Total Payment	Average Payment Per Acre
OKLAHOMA (40)	354,482	\$0.00	\$1,192,432.79	\$0.00	\$1,192,432.79	\$3.36
OREGON (41)	15,146,201	\$126,568.94	\$121,316,389.19	\$0.00	\$121,442,958.13	\$8.02
PENNSYLVANIA (42)	513,316	\$2,103,533.53	\$2,505,581.90	\$0.00	\$4,609,115.43	\$8.98
PUERTO RICO (72)	28,002	\$0.00	\$184,679.24	\$0.00	\$184,679.24	\$6.60
SOUTH CAROLINA (45)	630,703	\$0.00	\$2,498,375.29	\$0.00	\$2,498,375.29	\$3.96
SOUTH DAKOTA (46)	1,150,488	\$8,981.66	\$2,931,092.19	\$0.00	\$2,940,073.85	\$2.56
TENNESSEE (47)	716,485	\$0.00	\$1,428,411.45	\$0.00	\$1,428,411.45	\$1.99
TEXAS (48)	637,745	\$0.00	\$3,655,940.68	\$0.00	\$3,655,940.68	\$5.73
UTAH (49)	8,149,911	\$194,501.93	\$14,177,027.73	\$0.00	\$14,371,529.66	\$1.76
VERMONT (50)	399,058	\$0.00	\$400,726.81	\$0.00	\$400,726.81	\$1.00
VIRGINIA (51)	1,664,231	\$67,927.88	\$2,093,723.38	\$0.00	\$2,161,651.26	\$1.30
WASHINGTON (53)	10,858,594	\$0.00	\$33,990,941.90	\$13,252.05	\$34,004,193.95	\$3.13
WEST VIRGINIA (54)	1,043,248	\$0.00	\$2,356,829.70	\$0.00	\$2,356,829.70	\$2.26
WISCONSIN (55)	1,533,144	\$13,978.66	\$2,730,069.65	\$0.00	\$2,744,048.31	\$1.79
WYOMING (56)	8,691,800	\$532,815.09	\$4,357,627.04	\$0.00	\$4,890,442.13	\$0.56
Grand Total :	189,929,605	\$9,742,126.97	\$422,492,834.86	\$6,163,252.82	\$438,398,214.65	\$2.31

Note: PCPI data for year 2007 is used for Formula Payment Calculation

Here is the breakdown of the President's proposed budget which Senator Murkowski does not support. Title 1 is where the school funding comes from. You'll notice that it drops from about \$11m in 2013 to about \$518,000 after that.

2010 Forest Payments under Secure Rural Schools - Note this Does not include BLM O&C Payments for Oregon							
State	Total Amount	Title I	%	Title II	%	Title III	%
ALASKA							
2010	\$18,844,932	\$16,027,565	85%	\$2,817,368	15%	\$0.00	0%
2011	\$18,016,976	\$15,323,390		\$2,693,586		\$0.00	
2012	\$16,582,786	\$12,258,712		\$4,324,074		\$0.00	
2013	\$15,356,915	\$11,032,841		\$4,324,074		No longer qualified for SRS not Payments in this Title	
2014	< \$10 million Reverts to 25% Payment	< \$10 million Reverts to 25% Payment		\$ 4,324,074		No longer qualified for SRS not Payments in this Title	
2015	< \$10 million Reverts to 25% Payment	< \$10 million Reverts to 25% Payment		\$ 4,324,074		No longer qualified for SRS not Payments in this Title	
2016	< \$10 million Reverts to 25% Payment	< \$10 million Reverts to 25% Payment		\$ 4,324,074		No longer qualified for SRS not Payments in this Title	

Forest Service Proposed Formula - Title I - A 20% reduction in total payment in year one (2012); an additional 20% reduction in year two (2013); and additional reductions in years three, four, and five (2014, 2015, 2016) of 25% each year.

Also starting in year three any state due to receive < \$10 million will no longer qualify for the program and will revert back to their normal 25% Payment level.

Title II - Would be double each year (note this funding ultimately is used by the Forest Service and BLM to accomplish forest restoration work); **Title III** - percentage is cut by 50% then in 2012 and then title would be eliminated in 2013 and beyond.

Total estimated 2010 25% payment if Secure Rural School was not in place \$517,948

Senator Murkowski understands the importance of maintaining the program in much the same form as it is currently funded, and she recently articulated that to folks from the Ketchikan Gateway Borough and the State Superintendants of Schools. She also told both groups that she did not believe that the President's proposal on a new formula for Secure Rural Schools had any traction and would be rejected by Congress. Finally, she warned them that the long term prospects for continuing the program out past 2012 or 2013 does not look all that promising.

If you look back to payments before the latest reauthorization in 2008 you'll notice that Alaska more than doubled its Secure Rural School payments from 2007 to 2008 when the new formula was put in place in 2008. Alaska used to get about \$9.7 million in 2007 and that jumped to \$24 million in 2008, to be decreased by 10% a year through 2011.

Here are a couple of paragraphs given to me to help understand what the three different titles of the Secure Rural School bill does and the changes that were made to the 2000 law in 2008 when it was re-authorized.

2000 Law

Counties that opted for the Secure Rural Schools Payments were allowed to get 80 to 85% of their payments in Title I which directed the revenues to schools and/or county road departments under the ratio prescribed by the state where the county was located. In Alaska that split is 50% to schools and 50% to road departments

An additional 15 to 20 percent of the revenues were split between Title II and or Title III. Title II directed funds to a Resource Advisory Committee (RAC) who recommended resource restoration work within the area covered by the Resource Advisory Committee. Many RACs were multi-county cooperatives designed to pool funds to tackle larger projects. All of this funding is held by the Forest Service in Alaska and goes to work to complete resource restoration and road mitigation work.

Title III would allow counties to perform work in six categories of works without federal agency oversight.

2008 Law

Congress also made changes to all three Titles of the Secure Rural School and Community Self-determination Act of 2008 as follows:

- Title I was modified to allow more counties that get lower payments to reserve their entire payment for schools and roads rather than having to invest in Title II or Title III programs (that limit went from \$100,000 to a \$150,000 payment level exemption);
- Title II was modified to force all counties that receive payments above the \$150,001.00 threshold to develop Recourse Advisory Committees.
- It also extended the time to test whether or not selling logs through independent sort yards should be used for trees harvested through RAC projects.
- Title III was reduced both in the amount of funding that an individual county could expend on Title III projects, as well as in the types of projects the funding can be expended on. Most of that work is now limited to fire rehab and prevention and road restoration work.
- Finally, Title III was modified to include a self-reporting certification that the Title III funds have only been utilized for the reduced number of programs authorized by Title III. Despite the new self-reporting requirements there still is anecdotal reports that some counties continue to abuse the restrictions placed on Title III funds.