

**HJR**

**24**

<TARGET><BILL>HJR 24</BILL><SUBJECT>HJR  
24</SUBJECT><COMM>SCRA27</COMM></TARGET>

**HOUSE JOINT RESOLUTION NO. 24**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE PEGGY WILSON**

**Introduced: 3/25/11**  
**Referred:**

**A RESOLUTION**

1 **Urging the United States Congress to reauthorize the Secure Rural Schools and**  
2 **Communities Self-Determination Act of 2000.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **WHEREAS**, in 1908, the United States Congress enacted 16 U.S.C. 500 (National  
5 Forest Receipts Program), which required 25 percent of annual income earned from activities  
6 on national forest land to be shared with states for distribution to cities and boroughs in which  
7 the land is located for the benefit of education and roads; and

8 **WHEREAS**, in 1986, changes in the approach to managing our national forests  
9 seriously curtailed the ability of forest communities to harvest forest products and resulted in  
10 steep declines in forest revenue paid to affected communities; and

11 **WHEREAS**, in the early 1990s, the United States Congress recognized that the  
12 decision to secure and retain land in federal ownership would deprive the communities in  
13 which the land is located of revenue otherwise received if the land were in private ownership;  
14 and

15 **WHEREAS** the enactment of P.L. 106-393, 16 U.S.C. 500 note (Secure Rural  
16 Schools and Communities Self-Determination Act of 2000), temporarily stabilized national

1 forest revenue payments to forest communities and replaced much needed financial support  
2 for education and roads; and

3 **WHEREAS** many of the state's rural communities are nestled in the Tongass National  
4 Forest and the Chugach National Forest; and

5 **WHEREAS** there continues to be little privately owned land in those forest  
6 communities on which to pursue economic development activities, and the communities  
7 therefore remain largely dependent on revenue generated from national forests; and

8 **WHEREAS** P.L. 106-393 (Secure Rural Schools and Communities Self-  
9 Determination Act of 2000) expires in 2011; and

10 **WHEREAS** education is one of the critical services supported by P.L. 106-393; and

11 **WHEREAS** failure to reauthorize and extend P.L. 106-393 will have a devastating  
12 effect on many forest communities across America, especially communities in this state, and  
13 will severely affect the public education of students living in those forest communities;

14 **BE IT RESOLVED** that the Alaska State Legislature respectfully requests that the  
15 United States Congress and the President sign into law a long-term authorization of the  
16 Secure Rural Schools and Communities Self-Determination Act of 2000.

17 **COPIES** of this resolution shall be sent to the Honorable Barack Obama, President of  
18 the United States; the Honorable Arne Duncan, United States Secretary of Education; the  
19 Honorable Lisa Murkowski and the Honorable Mark Begich, U.S. Senators, and the  
20 Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress;  
21 and all other members of the 112th United States Congress.

# ALASKA STATE LEGISLATURE

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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”**

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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.

## 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 1990, 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 1990.

#### 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](http://www.ruraledu.org/cms.php?action=keep_connected).

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# FISCAL NOTE

**STATE OF ALASKA**  
**2011 LEGISLATIVE SESSION**

Fiscal Note Number 1  
 Bill Version HJR 24  
 (H) Publish Date 4/8/2011

HJR-24-(H)CRA 4-8-11  
 Title Support Federal Forest Land Revenue Sharing  
 Sponsor Representative P. Wilson  
 Requester House Community & Regional Affairs  
 Dept. Affected \_\_\_\_\_  
 Appropriation \_\_\_\_\_  
 Allocation \_\_\_\_\_  
 OMB Component Number \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
-----------------------------	--	--	--	--	--	--	--	--

<b>CHANGE IN REVENUES</b>								
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other (please identify)								
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2011) cost \_\_\_\_\_

**POSITIONS**

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

**Initial Version**

Prepared by Terry Harvey  
 Division (H)CRA  
 Approved by (H)CRA Chair Munoz

Phone \_\_\_\_\_  
 Date/Time \_\_\_\_\_  
 Date \_\_\_\_\_

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

<b>Municipality/ Rural Educational Attendance Area (REAA)</b>	<b>Payment Amount</b>
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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
<b>Total</b>	<b>\$ 16,027,565</b>



# 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

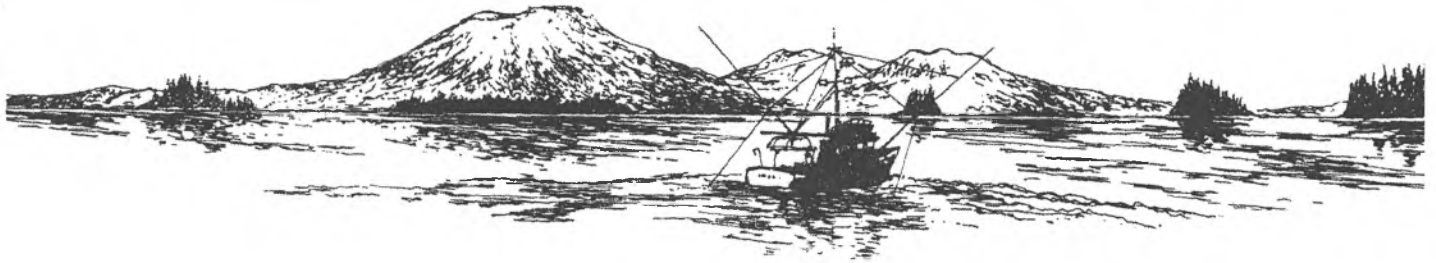
State	Acres	25% 7 Year Rolling Average Payment	Formula / Transition Payment	ASR Acts Payment	Total Payment	Average Payment Per Acre
OKLAHOMA (40)	354,482	\$0.00	\$1,192,432.79	\$0.00	\$1,192,432.79	\$3.36
OREGON (41)	15,146,201	\$126,568.94	\$121,316,389.19	\$0.00	\$121,442,958.13	\$8.02
PENNSYLVANIA (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
<b>Grand Total :</b>	<b>189,929,605</b>	<b>\$9,742,126.97</b>	<b>\$422,492,834.86</b>	<b>\$6,163,252.82</b>	<b>\$438,398,214.65</b>	<b>\$2.31</b>

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

# SITKA SCHOOL DISTRICT

[www.ssd.k12.ak.us](http://www.ssd.k12.ak.us)

300 Kostrometinoff



Sitka, Alaska 99835  
Phone: (907) 747-8622  
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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**

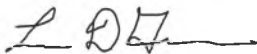
Year	Sitka Total	Title I (schools & Roads)	Title II (USFS RAC projects)	Sitka Schools Dist. Title I share	Statewide Total
2012	\$1,361,227	\$944,525	\$416,702.10	<b>\$472,262</b>	\$17,656,631.09
2013	\$1,266,774	\$850,072	\$416,702.10	<b>\$425,036</b>	\$16,431,476.72
2014	\$1,054,256	\$637,554	\$416,702.10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

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"**

Thursday October 28 2010

## Murkowski Raises Concerns Over Obama Administration's Warning That It May Not Support Renewal of Secure Rural Schools Program

WASHINGTON, D.C. - The Obama administration has warned that it may not support reauthorization of a program that helps fund schools, road maintenance and public facilities in Alaska communities that border national forest lands.

The warning came in a recent letter from Secretary of Agriculture Tom Vilsack to Murkowski. Vilsack was responding to a letter Murkowski sent to President Obama in July asking that the president recommend reauthorization of the Secure Rural Schools and Community Development Act in his Fiscal Year 2012 budget, which will be released in February 2011. The rural schools revenue sharing program, which is known in some communities as "timber receipts," "county payments" or "national forest receipts," expires on September 30, 2011.

Vilsack said the administration would carefully consider the program's reauthorization, but added, "Presently we have the challenge of determining the proper course for the future of this program, including the determination of how to pay for" its continuation.

Murkowski responded: "No doubt these are difficult fiscal times for the nation. However, we must not forget that the Forest Service controls nearly 22 million acres of Alaska lands and has a responsibility to support the schools and communities that may neither tax nor develop these lands. That is why I have been a steadfast supporter of the Secure Rural Schools and Community Self Determination Act over the years and will continue to fight for this crucial program next year."

The Secure Rural Schools and Community Self Determination Act was last reauthorized in 2008 with Murkowski's support.

Alaska communities and schools are slated to receive about \$85 million in revenue sharing payments from September 1, 2008, to September 30, 2011, under the current law. Unless the law is extended next year, Alaska communities and school districts will receive the last checks issued under the 2008 Act in calendar year 2012. About \$35 million is currently divided among the organized boroughs as follows:

Municipality of Anchorage \$538,315

Haines Borough \$2,063,541

City and Borough of Juneau \$4,130,098

Kenai Peninsula Borough \$4,130,098

Kodiak Island Borough \$9,133

Ketchikan Gateway Borough \$6,949,213

Matanuska-Susitna Borough \$148,896

City and Borough of Sitka \$6,552,532

Municipality of Skagway \$434,457

Yakutat City and Borough \$3,258,918

Wrangell City and Borough \$7,797,595

The remaining nearly \$50 million is distributed by the State of Alaska to school districts and communities in the Unorganized Borough that borders the Tongass and Chugach National Forests.

These funds benefit Cordova, Whittier, Valdez and the Chugach REAA in Southcentral Alaska. Southeast Alaska recipients include Angoon, Coffman Cove, Craig, Gustavus, Hoonah, Hydaburg, Kake, Kasaan, Klawock, Metlakatla, Pelican, Petersburg, Port Alexander, Tenakee Springs, Thorne Bay as well as the Annette Island, Chatham and Southeast Island School Districts.

Senate responsibility for reauthorizing the Secure Rural Schools and Community Self Determination Act rests with the Energy and Natural Resources Committee on which Murkowski serves as the senior Republican member.

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# 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



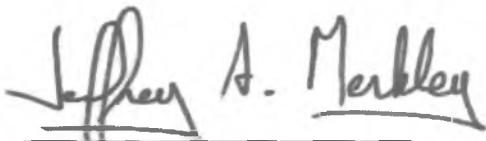
Mike Crapo  
United States Senator



Blanche L. Lincoln  
United States Senator



Roger F. Wicker  
United States Senator



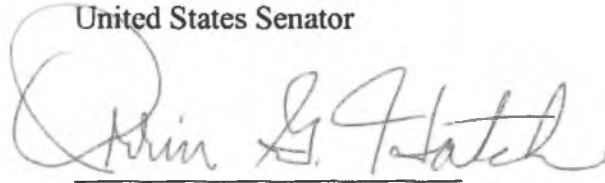
Jeff Merkley  
United States Senator



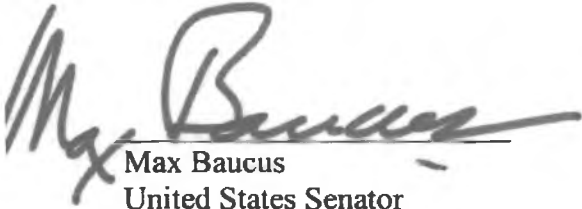
James E. Risch  
United States Senator



Claire McCaskill  
United States Senator



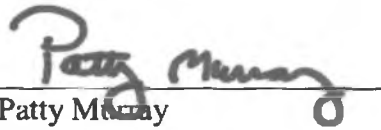
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Max Baucus  
United States Senator



Lisa Murkowski  
United States Senator




Patty Murray  
United States Senator




John Ensign  
United States Senator



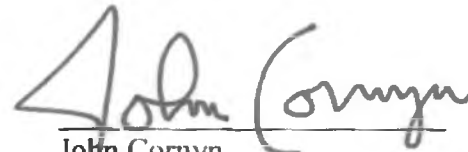
John D. Rockefeller IV  
United States Senator



Christopher S. Bond  
United States Senator



Jon Tester  
United States Senator



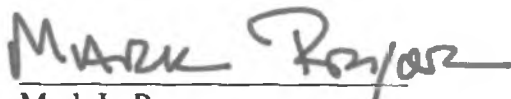
John Cornyn  
United States Senator



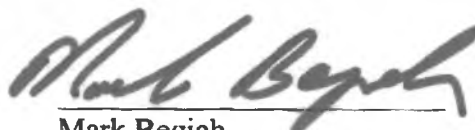
Robert P. Casey, Jr.  
United States Senator



Robert F. Bennett  
United States Senator



Mark L. Pryor  
United States Senator



Mark Begich  
United States Senator

Mark Udall

Mark Udall  
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