

Background

The Secure Rural Schools and Communities Self-Determination Act (SRSCA) was enacted in the late 1990s to assist public lands counties that had traditionally received a 25 percent share of revenues from timber sales. As those timber sales decreased, the SRSCA compensated the counties with guaranteed payments from the federal government. The initial program was authorized and funded through 2007. Congress acted again to extend the program part of the financial assistance law, approving a four-year extension (PL 110-343 of Oct. 3, 2008.) The county payments provision is providing about \$400 million per year for the program for Fiscal Years (FY) 2008, 2009, 2010 and 2011. The program which funds county services in 41 states where the federal government owns a significant amount of land, authorized in 2008, expires at the end of FY 2011 (September 2012).

Below is language contained in a recent letter signed by members of Congress from both parties:

“At the turn of the 20th Century, there was mounting opposition in Congress to the creation of forest reserves (now national forests). Congress realized that, due to the amount of private land taken out of economic development and a subsequent lack of tax revenues, the creation of public land would make it difficult for counties to provide basic services— namely schools and roads. To offset these effects, Congress passed the 1908 Act that specified 25 percent of all revenues generated from the national forests be shared with the counties where those revenues were generated to support public roads and schools. From 1986 to the present, these revenues, due to changes in federal forest policy and declining timber sales, have decreased precipitously (as much as 99 percent in some communities and on average by 70 percent nationwide).

Responding to this urgent need, Congress passed the SRSCA in 2000. For many rural counties once dependent on timber revenue, Secure Rural Schools (SRS) payments are the lifeblood of local schools and communities. This 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.

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

While the four year reauthorization of the SRSCA was a monumental legislative accomplishment that helped preserve and create jobs across America, rural counties will once again face 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.”

A bipartisan coalition in Congress is supporting the reauthorization of this act, with significant support from state and local governments and a variety of other stakeholders. Importantly, the President's proposed FY 2012 budget includes a five year extension of the SRSCA. The President's proposal includes a 20 percent cut to the portion of funding that states receive directly under Title I with additional cuts expected to be made gradually in subsequent years. The proposal would also – after three years -- eliminate funding for states that receive less than \$10 million a year and proposes changing the program's budgetary distinction from mandatory to discretionary.

Current Status

The Sierra Nevada Forest and Community Regional Coordinating Council identified this legislation as a key issue to Sierra Communities during the December 2010 meeting. More recently, during the March 2011 meeting, the Coordinating Council discussed this issue in greater detail and agreed to endorse the reauthorization of the Secure Rural Schools Act in concept. A substantial amount of funds are provided to Sierra Nevada counties through this program including implementation of projects to reduce fire risk and improve community safety, restoring forest health and social programs to support families living below the poverty rate. The SNC staff is drafting a letter to express the Coordinating Council's support for this reauthorization.

Next Steps

SNC staff will continue to monitor progress on legislation to reauthorize the Act and keep the Board informed.

Recommendation

Staff recommends the Board support the reauthorization of the Act, including a provision that a portion of proceeds from stewardship contracts be allocated to local entities and direct the Executive Officer to convey the Board's position to members of the California Congressional Delegation and other interested parties.

Region 5				Full Funding Amount:		FY2011 payment as percentage of FY2010
				\$405,000,000 FY2010	\$364,500,000 FY2011	
Eligible County	NF acreage in county	Per Capita Personal Income (2008)	High 3 (State: 1988-1989- 1990)	Projected Transition Payment	Projected County Share of State Payment	
El Dorado	499,679	\$49,844	3,731,735	\$3,048,296	\$760,475	24.95%
Placer	342,664	\$45,708	1,869,883	\$1,242,357	\$375,525	30.23%
Nevada	181,211	\$42,857	923,007	\$581,425	\$219,192	37.70%
Plumas	1,159,073	\$38,525	7,738,761	\$5,475,137	\$2,562,310	46.80%
Amador	78,116	\$36,707	590,108	\$480,441	\$240,425	50.04%
Shasta	747,319	\$34,527	3,657,885	\$3,027,136	\$1,797,763	59.39%
Humboldt	337,013	\$33,249	2,010,877	\$1,588,338	\$1,018,527	64.13%
Tuolumne	612,489	\$36,092	2,684,816	\$1,933,451	\$1,246,753	64.48%
Butte	135,218	\$32,349	912,233	\$675,302	\$451,751	66.90%
Calaveras	80,297	\$34,528	362,709	\$257,078	\$175,017	68.08%
Mendocino	179,276	\$36,162	666,694	\$521,814	\$358,668	68.73%
Alpine	408,085	\$42,000	947,354	\$730,413	\$520,282	71.23%
Lake	256,069	\$32,099	964,072	\$748,494	\$566,830	75.73%
Siskiyou	2,370,921	\$32,681	7,860,582	\$6,992,573	\$5,529,864	79.08%
Mariposa	179,448	\$33,137	680,241	\$475,072	\$395,508	83.25%
Sierra	447,683	\$31,323	2,195,180	\$1,393,872	\$1,307,431	93.80%
Tehama	396,003	\$27,008	2,258,117	\$1,806,412	\$1,720,912	95.27%
Trinity	1,464,392	\$27,631	7,257,168	\$5,830,434	\$5,573,259	95.59%
Yuba	42,824	\$27,099	271,706	\$180,254	\$179,028	99.32%
Colusa	65,027	\$36,361	246,017	\$190,282	\$190,473	100.10%
Fresno	986,846	\$30,997	3,038,676	\$2,075,728	\$2,093,420	100.85%
Lassen	620,284	\$26,721	3,656,447	\$2,923,784	\$2,961,856	101.30%
Del Norte	462,692	\$25,980	2,826,568	\$2,236,480	\$2,315,683	103.54%
Modoc	1,383,648	\$32,196	3,021,990	\$2,522,139	\$2,783,472	110.36%
Glenn	204,106	\$30,374	709,962	\$541,789	\$703,878	129.92%
Madera	414,290	\$26,225	1,243,241	\$840,082	\$1,241,388	147.77%
Kern	377,837	\$30,047	285,197	\$326,795	\$616,284	188.58%
Tulare	891,096	\$28,610	739,792	\$819,790	\$1,707,359	208.27%
Santa Barbara	629,922	\$47,957	55,519	\$55,742	\$269,524	483.52%
Ventura	559,666	\$46,787	49,803	\$50,215	\$248,239	494.35%
Monterey	311,033	\$44,764	26,915	\$27,161	\$171,006	629.61%
San Luis Obispo	191,539	\$40,635	16,686	\$16,817	\$120,531	716.70%