

SUPPORT CONTINUED REVENUE SHARING PAYMENTS TO NATIONAL FOREST COUNTIES

ACTION NEEDED:

Urge your members of Congress to enact a long-term legislative solution for continued revenue sharing payments to forest counties through the U.S. Forest Service's Secure Rural Schools (SRS) program. Congress reauthorized SRS and removed the annual 5 percent funding reduction through FY 2023 in the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58) enacted on November 15, 2021. Counties rely on SRS payments to provide numerous critical services including infrastructure, conservation projects, search and rescue missions and fire prevention programs.

Further, Congress should reform forest management practices to improve forest health, increase production and ensure robust revenue sharing to all forest counties.

If Congress fails to renew its long-standing federal obligation to forest counties and to the lands managed by the federal government by not improving forest management and providing a long-term solution for revenue sharing, counties across the United States could face dramatic budgetary shortfalls. The last time authorization for SRS lapsed, in FY 2016, federal forest payments to counties decreased by over 80 percent on average.

BACKGROUND:

The SRS program provides assistance to rural counties and school districts affected by the decline in revenue from timber harvests on federal lands. Historically, rural communities and schools have relied on a share of receipts from timber harvests to supplement local funding for education services and roads. During the 1980s, national policies substantially diminished the revenue-generating activity permitted in these forests. The resulting steep decline in timber sales decreased the revenues that rural counties and school districts received from forest management activities.

SINCE 1908, THE FOREST SERVICE PROVIDED COUNTIES AND SCHOOLS 25 PERCENT OF THE REVENUES COLLECTED FROM MANAGEMENT ACTIVITIES ON THE NATIONAL FOREST SYSTEM

THE SRS PROGRAM WAS ENACTED IN 2000 TO PROVIDE FUNDING FOR COUNTIES AND SCHOOLS TO COMPENSATE FOR STEEP REDUCTIONS IN REVENUES FROM TIMBER HARVESTS

FOR FY 2021, THE SRS PROGRAM PROVIDED \$250 MILLION TO APPROXIMATELY 700 RURAL COUNTIES, PARISHES AND BOROUGHES ACROSS THE UNITED STATES

NACO IS PURSUING A LONG-TERM LEGISLATIVE SOLUTION, BASED ON ACTIVE FOREST MANAGEMENT.

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In response to this decline, SRS was enacted in 2000 (P.L. 106-393) to stabilize payments to counties and to compensate for lost revenues. In October 2008, SRS was reauthorized (P.L. 110-343) and amended to continue on a sliding payment scale.

SRS was reauthorized on November 15, 2021, for FYs 2021 through 2023. The U.S. Forest Service distributed \$269 million to over 700 counties parishes and boroughs in April 2023. Additionally, SRS Title III funds may now be used for expanding broadband access in schools.

Barring a long-term solution, SRS will continue to be subject to the annual appropriations cycle and the expiration of SRS will create dramatic budgetary shortfalls if Congress fails to renew this long-standing federal obligation to county governments. Enactment of a sustainable long-term program to share revenues generated from the management of designated federal lands with forest counties and schools will ensure that students receive essential education services and rural communities have critical funding for roads, conservation projects, search and rescue missions and fire prevention programs.

RESOURCE ADVISORY COMMITTEE (RAC) APPOINTMENT PILOT PROGRAM:

In addition to the 3-year extension of SRS, the IJA created a new Resource Advisory Committee (RAC) appointment pilot program that will allow the U.S. Forest Service Chief or the Bureau of Land Management (BLM) Director to present the Secretaries of Agriculture or Interior with recommended RAC members. The Secretaries will have 30 days to confirm or reject the appointees, who will be automatically appointed if no action is taken within that 30-day period. This is similar to an existing pilot program that allows regional foresters and BLM state directors only in Arizona and Montana to appoint RAC members, which has cut down on waiting periods from two years to a few weeks in most instances.

KEY TALKING POINTS:

- If Congress fails to reauthorize SRS payments by the end of FY 2023, the expiration of the Secure Rural Schools and Community Self-Determination (SRS) Act will create dramatic budgetary shortfalls for over 700 rural counties across the United States. When the authorization for SRS lapsed in FY 2016, federal forest payments to counties decreased by over 80 percent on average.
- New legislation should be enacted that provides forest revenue sharing payments to counties and promotes active natural resource management for the stability and well-being of forest counties and communities. NACo will continue to urge leadership in both chambers and on both sides of the aisle to work together to enact a long-term, sustainable solution.

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