

National Forest Counties and Schools Coalition

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April 15, 2020

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader
U.S. Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi, and Minority Leader McCarthy:

Re: Forest Management for Rural Stability Act and Coronavirus Economic Recovery

As you lead our nation through the national COVID-19 emergency, the National Forest Counties and Schools Coalition asks your leadership and support for the bipartisan S. 1643, Forest Management for Rural Stability Act, which would permanently stabilize funding for rural local governments and school districts currently provided by the Secure Rural Schools and Community Self-Determination Act (SRS). Rural counties and school districts, struggling financially for decades, have had their budgets deeply decimated by the COVID-19 pandemic. With already inadequate funding and now additional demands from the pandemic on their resources, rural communities and counties are at the breaking point.

The Forest Management for Rural Stability Act would help stabilize funding for roads, bridges, school districts, law enforcement and other essential county services, such as public health programs. We are writing to request your support for the inclusion of S. 1643 in coronavirus economic recovery legislation now being considered.

Rural communities across the country where the federal government owns much of the land (without local property taxes) have been suffering for more than 20 years, with continuously declining revenues based on federal land ownership. These rural forest communities with local budgets already strained do not have the resources to deal with crises like the current pandemic. S. 1643 would stabilize this critical source of funding provided by the SRS program. The President and Congressional leaders have signaled

that legislation to support economic recovery is critical. S.1643 is appropriate for inclusion, since it supports payments to rural local governments and school districts for essential services such as roads, bridges, public health and safety, as well as education programs for rural schools and students.

For nearly 100 years, counties with public forestlands received federal support in the form of timber and other natural resource receipts sharing payments. Roads and related infrastructure were a statutorily designated use for those payments. Most recently, federal support has come through the SRS program, originally enacted in 2000 and reauthorized six times since then. SRS continued to provide funds for roads and schools, as well as essential county services, such as public health programs, but there have been annual decreases that have resulted in payments about half the level provided 20 years ago, and much less than half the levels provided historically from natural resource receipts. The need to repeatedly reauthorize SRS has left communities unable to plan and project revenues. SRS expires again at the end of FY 2020 and the ability of communities to support safe roads and bridges, schools, public health and other essential services will again be in serious doubt.

It is time to provide much-needed certainty to the rural communities reliant on public lands. S.1643 ends the financial rollercoaster by creating a permanent endowment fund to provide reliable funding for county roads and bridges, schools districts, public health and other essential services, ending the need for repeated SRS appropriations. Key features include:

- Initial, substantial appropriation to seed the new endowment fund (Fund), commercial receipts generated on National Forests, National Wildlife Refuge Revenue Sharing lands, and O&C lands (managed by the BLM) would be deposited annually into the Fund and held in separate accounts within the Fund.
- Earnings from the Fund's investments would finance payments to counties and school districts.
- Payments would have a baseline of no less than FY2017 SRS and RRS payment levels.
- Congress would charter a new, independent non-profit corporation with fiduciary obligations to manage the Fund following strict statutory guidelines.

S.1673 is a permanent solution to the SRS crisis faced by rural counties and school districts. Investing in the trust fund created by S.1673 will cost less than Congress has appropriated for SRS since the program began in 2000. Enacting the Forest Management for Rural Stability Act will end the need for uncertain annual appropriations and end the precarious uncertainty each year as 770 rural counties and 4400 rural school districts budget for essential county road, public health and safety services and education programs for schools and students.

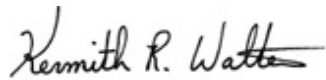
The Forest Management for Rural Stability Act S.1643 has widespread, bipartisan support in Congress and by rural counties and school districts in rural communities in states across our nation. We

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respectively request your support and leadership to include S. 1643 as part of any coronavirus economic legislation to assist rural counties and school districts continue essential county and education services.

We look forward to working with you to support rural America.

Very truly yours,

A handwritten signature in black ink that reads "Kermith R. Walters". The signature is written in a cursive style with a long horizontal flourish at the end.

Kermith Walters, President
National Forest Counties and Schools Coalition
Superintendent of Education
Siskiyou County Office of Education