2019 POLICY BRIEF

CONTINUE REVENUE SHARING PAYMENTS TO FOREST COUNTIES: SUPPORT THE SECURE RURAL SCHOOLS (SRS) PROGRAM

QUICK FACTS

- NACo is pursuing a longterm legislative solution, based on active forest management, to continue revenue sharing payments to counties
- 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 2018, the SRS program provided \$237.7 million to roughly 700 rural counties, parishes and boroughs across the United States
- Since 1908, the Forest Service provided counties and schools 25 percent of the revenues collected from management activities on the National Forest System



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 for FY 2017 and FY 2018 in the omnibus spending package enacted March 23, 2018 but have not reauthorized the program for FY 2019 and beyond. Counties rely on SRS payments to provide numerous critical services including infrastructure, conservation projects, search and rescue missions and fire prevention programs. The last authorized SRS payments are scheduled to be paid in calendar year 2019.

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 the long-standing federal obligation to forest counties and to the lands managed by the federal government by not improving forest management and reauthorizing the SRS program, 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.

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. Most recently, SRS was reauthorized retroactively on March 23, 2018 for FYs 2017 and 2018. In FY 2018, SRS provided \$237.7 million to roughly 700 rural counties, parishes and boroughs across the nation. SRS expired at the end of FY 2018 and has yet to be reauthorized.

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.

KEY TALKING POINTS

- If not reauthorized for FY 2019 and beyond, the expiration of the Secure Rural Schools and Community Self- Determination (SRS) Act at the end of FY 2018 will create dramatic budgetary shortfalls for roughly 700 rural counties across the United States. When the authorization for SRS lapsed in Fiscal Year 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 encourages Congress to act quickly to reauthorize the SRS program, a critical safety-net for forest counties, improve federal forest management practices and address the wildfire funding crisis.
- While the Senate and House of Representatives continue to discuss options for funding the SRS program, 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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