

Washington, D.C. - U.S. Representatives Peter DeFazio (D-OR) and Kurt Schrader (D-OR) were joined by more than 25 of their colleagues today in sending a bipartisan letter to Budget Committee Chairman John Spratt and Ranking Member Paul Ryan requesting funding for county payments. The letter urges the Budget Committee to include language in the FY 2011 House Budget Resolution that would establish a deficit-neutral fund to provide for possible changes to or reauthorization of the Secure Rural Schools (SRS) and Self Determination Act of 2000.

“During tough economic times, Congress should not leave America’s rural communities behind,” said Schrader. “The reauthorization of this act is imperative to our rural communities here in Oregon. Many of our towns depend on county timber payments to fund our schools and roads. The Secure Rural Schools and Self Determination Act ensures that necessary funds get to our rural communities so they can fund basic needs.”

“Without a meaningful, long-term solution to Secure Rural Schools funding, counties in southwest Oregon will be forced to lay off employees by the hundreds into a bad economy – we will lose sheriff patrols, jail beds, teachers and other vital public services. This will be particularly devastating to timber dependent communities where the real unemployment rate is already at over 20 percent. Including language in the House Budget Resolution is the first step in working towards a bipartisan, long-term solution that provides rural communities with a basic level of economic security,” DeFazio said.

SRS, commonly referred to as the county payments program, will provide more than \$200 million to 33 Oregon counties in fiscal year 2010 for services like schools, roads and law enforcement. Counties receiving funding under the program have a high proportion of federally owned lands. Prior to the enactment of the county payments program, they had received a percentage of receipts from timber harvests, which fluctuated from year to year. However, harvest levels decreased precipitously in the late 1990s due to changes in federal forest policy. Congress passed the Secure Rural Schools and Community Self-Determination Act in 2000 to help stabilize these payments and ensure proper funding for vital county services.

The SRS program expired in 2006 and the following year, Congress passed a one-year

extension 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 Secure Rural Schools and Self Determination Act was a monumental legislative accomplishment that helped preserve jobs and vital services across America, rural counties will once again face a budgetary cliff after they receive the final SRS payment in fiscal year 2011.

The inclusion of this language in the Budget Resolution for FY 2011 would demonstrate Congress's commitment and responsibility to the economic security and sustainability of Oregon's rural communities. Without a long-term solution, communities will be unable to provide vital public services such as education and law enforcement.

The full text of the letter is below:

April 14, 2010

The Honorable John M. Spratt

The Honorable Paul D. Ryan

Chairman

Ranking Member

House Committee on the Budget

House Committee on the Budget

207 Cannon House Office Building

B71 Cannon House Office Building

Washington, D.C. 20515

Washington, D.C. 20515

Dear Chairman Spratt and Ranking Member Ryan:

We are writing to request that you include the following language in the fiscal year 2011 House Budget Resolution. This language would establish a deficit-neutral reserve fund to provide for possible changes to or reauthorization of the Secure Rural Schools (SRS) and Self Determination Act of 2000 (P.L. 94-565) in fiscal year 2011.

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 Secure Rural Schools and Community Self-Determination Act in 2000. For many rural counties once dependent on timber revenue, Secure Rural Schools 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 Secure Rural Schools and Self Determination Act 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 fiscal year 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.

Congress made a promise to these counties more than 100 years ago and we intend to do all that we can do make sure Congress keeps that promise. Including the following language in the fiscal year 2011 House Budget Resolution will demonstrate Congress's commitment and responsibility to the economic security and sustainability of our rural communities.

Proposed language for the FY2011 House Budget Resolution:

SEC. XXX. DEFICIT-NEUTRAL RESERVE FUND FOR INVESTMENTS IN OUR NATION'S COUNTIES AND SCHOOLS.

The chairman of the House Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that make changes to or provide for the reauthorization of the Secure Rural Schools and Community Self Determination Act of 2000 (Public Law 106-393) or make changes to the Payments in Lieu of Taxes Act of 1976 (Public Law 94-565), or both, by the amounts provided by that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2010 through 2015 or the period of the total of fiscal years 2010 through 2020.

Given your long history of supporting Secure Rural Schools legislation and your commitment to rural communities, we look forward to working with you on this critically important issue. Thank you for considering our request.

Sincerely,

PETER DEFAZIO

KURT SCHRADER

GREG WALDEN

TRAVIS CHILDERS

MIKE ROSS

MIKE SIMPSON

BRIAN BAIRD

ANN KIRKPATRICK

DEBBIE HALVORSON

DOC HASTINGS

STEPHANIE HERSETH SANDLIN

WALLY HERGER

BENNIE THOMPSON

HARRY TEAGUE

DAVID WU

WALT MINNICK

JIM MATHESON

DANIEL LUNGREN

DON YOUNG

GENE TAYLOR

BEN RAY LUJAN

RICK BOUCHER

CATHY MCMORRIS RODGERS

RAUL GRIJALVA

TOM MCCLINTOCK

JOHN SALAZAR

MARTIN HEINRICH

