



Legislation Details (With Text)

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Title: Chief Administrative Office recommending adoption of Resolution 299-2008 making payment elections under the Secure Rural Schools and Community Self-Determination Act of 2000, as amended.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Secure Rural Schools Payment Options.pdf, 2. Secure Rural Schools Reso.pdf

Date	Ver.	Action By	Action	Result
11/4/2008	1	Board Of Supervisors	Adopted	Pass

Chief Administrative Office recommending adoption of Resolution **299-2008** making payment elections under the Secure Rural Schools and Community Self-Determination Act of 2000, as amended.

Fiscal Impact/Change to Net County Cost: Revenues to the County for FY 2008-09 of \$2,160,949 (Option #1) or \$538,046 (Option #2).

Background: The Secure Rural Schools and Community Self Determination Act of 2000 (Act), was enacted by Congress to stabilize funding to counties for road maintenance and public schools in recognition of the decline of revenues from timber sales on federal lands. The Act was effective through the end of 2006; however Congress granted a one-year extension which provided funding in 2007. The Act was amended and reauthorized for fiscal years 2008-2011 on October 3, 2008.

Reason for Recommendation: Under the legislation, the County is required to choose a payment option and remit this information to the United States Department of Agriculture (USDA) no later than November 14, 2008. The options are:

1) "Share of the State payment"-this is calculated using a formula provided in the legislation which is based on prior payments and the amount of federal land in the county. Under this option, payments decline over the term of the legislation, and the total gross payment to schools and the County over the four-year period is \$10,946,238.

2) "County Share of the State's 25% Payment" - this amount is based on a seven-year rolling average of a county's timber yield payments prior to the enactment of the Act. Under this option, annual payments over the term of the legislation would be uniform, however the total gross payment to schools and the County for the period is \$4,304,364.

A table illustrating the payment options is attached. The recommendation is to choose option #1. If

option #1 is chosen, the County must set aside 15% to 20% of the payment to be allocated for forest projects under Title II and Title III.

In the past, the County has elected to set aside 15%, and has allocated this entire amount to projects under Title III. These funds have been granted to community organizations for wildfire prevention and planning activities and allocated to the Sheriff for search and rescue activities on federal lands. The new legislation limits the amount that can be allocated for Title III activities to 7%. The remainder of the 15-20% set-aside must either be allocated to Title II or forfeit.

In order to spend funds on Title II activities, the County must form or join a Resource Advisory Committee (RAC), which will must review and approve any proposed projects. The County does not currently belong to a RAC. The legislation allows any amounts set aside for Title II projects to be set aside on behalf of a county and held in the US Treasury until 2012. This allows counties time to form and join RAC's and formulate and review projects. If ultimately no RAC is formed and no projects are proposed, the funds are retained by the Treasury.

The recommendation is to set aside 15% to be allocated between Title II and Title III. This provides the County with the option to form or join a RAC and allocate the available 8% of the funding to Title II, however it does not obligate the County to do so.

Further analysis of the legislation is required before this office can recommend how the Title III funds should be allocated and whether the County should participate in a RAC and allocate funds to Title II projects. Once this analysis is complete, further recommendations and any necessary budget transfers will be submitted for your consideration.

Action to be taken following Board approval: CAO will submit signed resolution to the USDA, with a copy to the County Office of Education

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