



FEDERAL FOREST RESOURCE COALITION POLICY:  
SECURE RURAL SCHOOLS REAUTHORIZATION:

**Background:**

Counties which include National Forest and other Federal lands within their borders cannot tax or develop these Federal public lands. Recognizing this, the Federal government has for decades provided payments, both in lieu of taxes and as a share of revenues from economic activities, to these counties. Congress enacted a law in 1908 which requires the Federal government to share 25% of the gross revenues derived from U.S. Forest Service activities (e.g. – timber sales, mineral leases, and grazing fees) with the counties. These revenues supported schools and the maintenance of infrastructure, and grew to become a significant source of revenue for National Forest counties. By 2000, as a result of litigation and changes in policy, the scope of land management on Federal forests, particularly National Forest timber sales, had fallen by more than 80%, and these revenues dwindled. This approach to managing Federal forests has not produced the ecological, social, and economic outcomes its proponents have suggested would result.

In 2000, Congress passed the *Secure Rural Schools and Community Self-Determination Act* (SRSCA). This legislation provided guaranteed payments to these forested counties, based on some of the highest years of timber revenue in the history of the Forest Service. Congress provided extensions of these guaranteed payments in 2006 and again in 2008. This legislation expired in October of 2011.

**FFRC Policy:**

FFRC members live and work in rural, forested communities where Federal lands make up a large portion of the landscape. Frequently, these counties suffer from chronic economic problems, including population loss as well as higher than average rates of unemployment, poverty, and dependence on Federal assistance programs. These problems have become ingrained as management of Federal forests has moved away from production of usable wood fiber. Meanwhile, the health of Federal forests has suffered along with these communities, with large scale insect outbreaks, declines in stand health, and larger than normal wildfires.

The guaranteed funding provided under SRS was never intended to permanently replace shared revenue from active management on Federal public lands. Congress should not provide further extension of mandatory funds without ensuring a transition that makes improvements in both the health of Federal forests and the economic condition of forest dependent counties through active forest management.

**Recommended Policies:**

- Secure Rural Schools payments should be linked to fundamental legislative reforms which streamline the process of proposing, analyzing, executing, and resolving conflicts over forest management projects on Federal forest lands.

- With due recognition of the need for a transition period, payments to counties must be linked to revenues produced by viable economic activity on Federal forests, including substantial, sustainable increases in timber outputs.
- All revenues generated on Federal forests, including a portion of revenues from Stewardship contracts, should be used to develop additional sustainable forest management projects as well as to provide revenue sharing to counties.
- Alternative land management paradigms, including identification of lands to provide stable funding on a trust-trustee basis, whether in Federal or other ownership, should be encouraged, while restoring and strengthening the overall multiple use framework on Federal forests.
- Collaborative projects and expedited environmental reviews must focus on landscapes large enough to result in improvements in forest conditions and to provide steady, predictable supplies of usable wood fiber to local industry at a reduced per unit cost to the government.

*The **Federal Forest Resource Coalition** is a unique national coalition of small and large companies and regional trade associations whose members manufacture wood products, paper, and renewable energy from Federal timber resources. With members in more than two dozen states, the Coalition is building a national voice for sound management of our Federal forests. Coalition members employ over 350,000 workers in over 650 mills, with payroll in excess of \$19 billion. The Coalition will work with allied industry, conservation, and local government groups to support a growing and sustainable Federal timber program. For more information contact Bill Imbergamo, FFRC Executive Director, at 202-518-6380.*