Municipal Finance Law Since 1971

Emerging Plan Would Rework Payments for Forest Counties.

Two senators are working on a proposal meant to get local governments in logging country off a funding "rollercoaster."

WASHINGTON — U.S. Sen. Ron Wyden told county officials here on Thursday that he's working on a plan to remake a program that provides payments to counties that have seen their finances weakened by diminished logging on federal forestlands.

The Oregon Democrat said he's developing the proposal with U.S. Sen. Mike Crapo, an Idaho Republican. Wyden says they're aiming to find a way to free local governments that depend on payouts from what's known as the Secure Rural Schools program from the unpredictability in both timber markets and the congressional appropriations process.

"I want to get these rural communities off the rollercoaster," he told reporters.

Secure Rural Schools provides an important funding source for some rural counties, particularly those in the west. Despite the name of the program, local governments can use money from it not only for schools, but also for costs like public safety and road upkeep.

For instance, Joel Bousman, a commissioner in Sublette County, Wyoming, said Thursday that his county uses much of the roughly \$700,000 it receives to support a contract helicopter service for search and rescue activities in wilderness areas.

"Without SRS, my county would face budgetary issues," he said.

Secure Rural Schools dates back to 2000 and Wyden was one of the co-authors of the original law that created it.

The program was designed to aid local governments that were seeing their budgets take a hit because logging had declined on nearby federal lands and the federal government was sharing less timber harvest revenue with them as a result.

Logging proponents often point to federal protections for the northern spotted owl and the old growth forests that provide its habitat as a key reason for declines in logging in the Pacific Northwest.

A <u>spending package</u> lawmakers approved earlier this year authorized two years of Secure Rural Schools payments to be applied for fiscal years 2017 and 2018. The fiscal 2017 payments provided \$256 million to over 700 rural counties, parishes and boroughs across the nation, according to the National Association of Counties.

But in recent years, funding for the program has been unstable.

Local governments did not receive Secure Rural Schools payments for about two years leading up to the passage of the recent spending measure, and congressional lawmakers have resorted to budget

gimmicks like tapping the nation's helium and petroleum reserves to cover the program's cost.

Wyden and Crapo have not publicly released a draft bill text or a detailed outline of their plan.

But Wyden said at the heart of the proposal would be a new permanent endowment, with an initial investment made by the federal government. The principal would be invested, and the interest would be used to make payments to counties. Payments would be set so they do not drop below first-year levels.

Route Fifty

By Bill Lucia, Senior Reporter

SEPTEMBER 6, 2018

Copyright © 2025 Bond Case Briefs | bondcasebriefs.com