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BUILDING SUCCESS: IMPLEMENTATION OF THE SECURE RURAL SCHOOLS PROGRAM

OVERSIGHT HEARING

BEFORE THE

SUBCOMMITTEE ON NATIONAL PARKS, FORESTS AND PUBLIC LANDS

OF THE

COMMITTEE ON NATURAL RESOURCES
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

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OVERSIGHT HEARING ON "BUILDING SUCCESS: IMPLEMENTATION OF THE SECURE RURAL SCHOOLS PROGRAM."

Thursday, July 29, 2010
U.S. House of Representatives
Subcommittee on National Parks, Forests and Public Lands
Committee on Natural Resources
Washington, D.C.

The Subcommittee met, pursuant to call, at 10:04 a.m. in Room 1334, Longworth House Office Building, Hon. Raúl M. Grijalva [Chairman of the Subcommittee] presiding.

Present: Representatives Grijalva, Kildee, DeFazio, Herseth Sandlin, Luján, Rahall, Bishop, and Hastings.

Mr. GRIJALVA. Let me call to order the Subcommittee on National Parks, Forests, and Public Lands for our hearing on Building Success: Implementation of the Secure Rural Schools Program. The Subcommittee will come to order.

At the outset, let me turn to the Chairman of the Full Committee, Mr. Rahall, for comments and introductions. Sir.

STATEMENT OF THE HONORABLE NICK J. RAHALL, II, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WEST VIRGINIA

Mr. RAHALL. Thank you very much, Mr. Chairman. I certainly salute you and Ranking Member Bishop for taking the time to have this oversight hearing today on Building Success: Implementation of the Secure Rural Schools Program.

This program goes back a number of decades. It has been very beneficial to a number of counties in the rural parts of this Nation, and especially in the district that I am honored to represent, and I salute you and Ranking Member Bishop for having this hearing today.

I also am very pleased and honored to welcome to the Subcommittee one of my constituents who lives in Pocahontas County. She has taken the time from her schedule, and has come here to our Nation's Capital to share with us her experience and professionalism.

She knows firsthand the struggles of rural schools, and she has personally sacrificed to make it possible for hundreds of children to learn Spanish.

As you will hear in her testimony today, learning a foreign language is a crucial component of making rural schools and rural students competitive when applying to college.

This would not be possible without the funds that are made available through the current reauthorization of the Secure Rural Schools Program, which I strongly support, and look forward to working with you, Chairman Grijalva, and Ranking Member Bishop, as we further our efforts.

I thank Mrs. Groseclose for making the trip today. Shirlene, it is very much appreciated, and your testimony will be very much appreciated by not only the Members present today, but by all of us as we share your comments as they are made a part of the record of today's hearing.

So I thank you for being with us today, Shirlene, and I yield back to the Chairman.

STATEMENT OF THE HONORABLE RAÚL M. GRIJALVA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARIZONA

Mr. GRIJALVA. Thank you very much, Mr. Chairman. Let me just say that across the country real communities and the Federal Government are neighbors. In many cases, that relationship leads to good opportunities for economic partnerships, as we heard during our last hearing.

It can also create challenges for rural communities when they are continually exposed to the boom and bust cycles of extractive industries on public lands, such as timber.

The Secure Rural Schools and Communities Self-Determination Act of 2000 was originally designed to help rural communities weather the storm of declining timber receipts on public lands.

The timber industry has not recovered and the recent economic recession has further depressed that struggling market. Congress intervened again in 2008, and granted a four-year reauthorization of the Secure Rural Schools Program.

One of the components of the reauthorization was a gradual wrap-up of funds to local communities, with an expectation that local governments would begin to move away from Federal dollars toward more sustainable budgets.

We are now two years through that reauthorization of the program, and it is a good time to review the successes and the continuing challenges of the program. It is our hope and intention that the Federal Government will always be a good neighbor to the country's rural communities.

However, we know that the best help we can give will lead to long-term sustainability. I want to thank the witnesses for traveling so far today to join us. I look forward to hearing from you. Now, let me turn to our Ranking Member, Mr. Bishop, for any opening comments that he may have. Sir.

[The prepared statement of Chairman Grijalva follows:]

Statement of The Honorable Raúl Grijalva, Chairman, Subcommittee on National Parks, Forests and Public Lands

The Subcommittee will now come to order. Thank you.

Across the country, rural communities and the Federal Government are neighbors. In many cases, that relationship leads to good opportunities for economic part-

nerships, as we heard during our last hearing. It can also create challenges for rural communities, when they are continually exposed to the boom and bust cycles of extractive industries on public lands, such as timber.

The Secure Rural Schools and Community Self-Determination Act of 2000 was originally designed to help rural communities weather the storm of declining timber receipts on public lands. The timber industry has not recovered, and the recent economic recession has further depressed the struggling market.

Congress intervened again in 2008 and granted a four-year reauthorization of the Secure Rural Schools program. One of the components of the reauthorization was a gradual ramp down of funds to local communities, with an expectation that local governments would begin to move away from federal dollars toward more sustainable budgets.

We are now two years through the reauthorization of the Secure Rural Schools program, and it is a good time to review the successes and challenges of the program.

It is our hope and intention that the Federal Government will always be a good neighbor to the country's rural communities. However, we know that the best help we can give will lead to long-term sustainability.

I want to thank all the witnesses for traveling so far today to join us. I look forward to hearing from all of you. And I now turn to the Ranking Member, Mr. Bishop, for any opening comments he may have.

STATEMENT OF THE HONORABLE ROB BISHOP, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

Mr. BISHOP. I thank you, Mr. Chairmen, for your opening statements. I thank those witnesses who are here to testify before us on this particular issue. It is indeed a significant issue for those of us in the West, and throughout the entire United States.

I would like to begin by saying that I do wish that PILT would have been included in the agenda for this hearing given the longstanding commitment of the Federal Government to the PILT program, which came decades before Secure Rural Schools.

And in many ways the two still are tied together inextricably. I view this as a missed opportunity now to have included that as part of the discussion. Seeing how the Administration has tried to delay PILT payments by nearly two months in early June for what appears to be no clear reason.

It would have been nice to talk about the implementation of that program as well. So I hope that, following this hearing, those who are here to testify today about the Secure Rural Schools remain as committed to seeing that the PILT program is also equally treated.

The way a government deals with property, especially personal property, is a window to the soul of that government. Sir Henry Maine once wrote in the Village Communities that nobody is at liberty to attack several property and say, at the same time, that he values civilization.

The way that this government has been treating property impacted by Secure Rural Schools over the last 30 years—especially in these particular counties—is certainly a cause for problems, and does not speak well to the soul of what we are trying to do.

And, indeed, what we found right now is looking for solutions which would make Rube Goldberg proud. I want to thank those who are testifying today, especially on the second panel, ahead of time.

I know that you come here today to talk about your concerns, at no small inconvenience to you or the municipalities that paid for

you to come here. I apologize to you in advance that I will be leaving early and may not be able to hear that second panel.

It is one of the joys of working in Congress, where time management is not an art form but, in fact, totally ignored. However, having said that, I also recognize how land has always been tied to the funding of schools.

When Henry VIII closed monasteries, and redistributed the land to the barons who got that property, one of the requirements was to fund the education programs of the day. Connecticut was the first State to try and set land aside. They set 3 million acres that they tried to sell to form a permanent school trust fund.

Naturally, in the workings of Connecticut, the land that they tried to sell was in Ohio but, nonetheless, they were at least trying to sell some land. Texas, which was wise enough at admission to keep all of its land, did still put 17,000 acres aside for a school trust fund.

The State of Georgia in 1777 was the first State to actually assist local communities in funding education. It is interesting to note that the counties of Georgia at the time rejected the State assistance as an insult to their ability to cope with the situation at hand. My how times have changed.

So to cautiously borrow a phrase from a certain former President, I feel your pain when it comes to your issue. Before I had the fortune of getting elected to Congress, I was a school teacher, a teacher in a State that has 70 percent of its land owned by the Federal Government—and also a State that is one of those 15 States that has a hard time funding education primarily due to that fact. I also served in the State Legislature, where for 16 years I worked on the school funding issues as part of that particular committee.

So I know what it takes to stare at funding amounts that don't cover what we perceive to be our schools' needs. I know what it is like to deal with worries of getting pink slips because there are rumors that funds are not going to be there to keep the school open next year.

I know how important it is to have some level of certainty when it comes to funding, and if funding will not be available, and how important it is not to give false hopes and unclear answers to individuals.

I know what it is like to try and fund small rural schools, which by their very nature are going to be more expensive than schools in an urban setting. So I understand what you are all talking about and how you are trying to deal with what may become the unvarnished truth.

I am appreciative of how some States, and I look specifically at Oregon, have tried to step up to try and have a statewide solution to the pain that their schools and these Secure Rural School areas, rural counties that no longer have resource abilities, feel.

I am also chagrined at the last meeting we had by listening to what California was doing, which basically was nothing, to try and solve the problem on a State level. I certainly hope that situations have changed now, and that California and so many other states are looking for statewide help and solutions to part of these problems.

Since the main topic of this hearing today is implementation of Secure Rural Schools, I was also hoping that we would have witnesses from the Department of Agriculture rather than just the Forest Service, not that I am opposed to the Forest Service, or Mr. Holtrop, but we are hearing that the Department at the Secretary level is taking too long to appoint people to RACs.

So one of the issues that I would have liked to have discussed, and to be brought up by the several witnesses, is also the issue of roads, which the Secure Rural Schools Program helps fund.

I believe we need to begin the discussion of the future of this program since the issue of reauthorization will be discussed. During the last round of reauthorization debate, we were told that the issue of forest management and getting the timber industry back on its feet was a separate discussion from the Secure Rural Schools.

I feel that is a sad mindset, because the truth is that it must be part of a long-term solution. So I applaud the National Forest Counties and Schools Coalition Concept Paper that Mr. Coriz, if I pronounce that properly, I hope, mentions in his testimony.

It is a step in the right direction, and should be a step in the right direction in this discussion. We need to find a way to pay for this program that does not involve deficit spending.

A start would be to use some of the $900 million from offshore drilling revenue to pay for this program, instead of simply using it to buy more Federal land that we cannot manage.

Long term, we must be looking at ways to return control back to the local level, and solutions that don't require constant lobbying efforts by your communities to grovel before Congress just to get your basic needs met. Mr. Chairman, I yield back.

Mr. GRIJALVA. Thank you, and let me invite the first panelists, please. Thank you very much gentlemen, and welcome back, I guess, Joel. Joel Holtrop, Deputy Chief, Forest Service, United States Department of Agriculture. Sir.

STATEMENT OF JOEL HOLTROP, DEPUTY CHIEF, FOREST SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE

Mr. HOLTROP. Mr. Chairman, and members of the Subcommittee, thank you for the opportunity to present the views of the United States Department of Agriculture regarding the implementation of the Secure Rural Schools and Community Self-Determination Act.

My comments will focus primarily on our experiences with Title II, Special Projects, of the Secure Rural Schools Act. Our written testimony provides additional information on Titles I and III.

The Forest Service places tremendous value on the relationships fostered under Title II and the work of more than 100 resource advisory committees nationally. While we can put a dollar value on the projects, the relationships built among tribal, county, and school officials, interest groups, and other stakeholders, are invaluable.

An eligible county that receives a share of the State payment greater than $100,000 is required to allocate 15 to 20 percent of the payment to Title II, Special Projects on Federal lands, or to Title III, county projects.

Title II funds are to be spent on projects that maintain existing infrastructure or enhance the health of ecosystems on national forests. The Act calls for the establishment of resource advisory committees, commonly referred to as RACs, to review and recommend projects to be funded under Title II.

Each RAC has 15 members, comprised of citizens who have volunteered to work together to help recommend projects. Diverse interests are represented, including environmental and conservation groups, recreation users, and advocates, commodity interests, tribal, local governmental officials, and teachers, and officials from local schools.

RACs generally meet several times each year to review proposed projects. Members learn about the richness of natural resources on the national forests, and share their knowledge of the natural and social environments.

They trade viewpoints and opinions. They discuss legal concerns and implementation strategies with Federal officials. They deliberate and recommend a list of projects to fund.

This collaboration among many interests leads to community supported projects. Types of projects that have been implemented include maintenance or obliteration of roads and trails, maintenance of infrastructure, stream and watershed restoration, control of noxious and exotic weeds, and reestablishing of native species.

Fuels reduction has been very important to many RACS to help protect important watersheds, habitats, and communities. The result has been an unequivocal success. RACs improve cooperation, increase knowledge, and break down barriers among interest groups and local agencies.

The projects have enjoyed broad-based support without appeals or litigation. There are numerous examples of Title II successes since 2001, and I will provide three quick examples that showcase the diversity of projects, and partners that are involved.

In Southwest Washington, a four county partnership with the Forest Service increased the efficiency and effectiveness of what were previously poorly coordinated, separate, and underfunded programs to reduce noxious weeds. Prior to the Title II funding each county had limited means to fund this important work to protest habitats and forest health. Through the Secure Rural Schools Act, projects recommended by the RAC have supported a comprehensive weed control program on national forests and county lands, and have enabled each county to leverage additional program funds through several other partnerships. In fire-prone Northern California, Title II funding has supported numerous projects to reduce fuels and lessen the risks of the severe effects of wildfire on watersheds and communities, spanning several years and numerous projects. The Lassen, Modoc, and Shasta Resource Advisory Committees, two fire-safe councils, the Forest Service, and the Bureau of Land Management have worked together to reduce hazardous fuel loads of fire-prone dense undergrowth, with the goal of protecting resources on national forests and private lands.

Both the Forest Service and the BLM have leveraged the Title II commitment by treating adjacent Federal lands. An additional benefit of these projects has been providing employment in economically hard-hit rural communities.

Montgomery County, Arkansas, and the Forest Service have had a highly successful cooperative program to maintain national forest recreation areas with Title II projects recommended by the Ozark-Ouachita RAC.

The projects help reduce adverse impacts on watersheds and wildlife habitat, and improve visitor safety and enjoyment of the national forests. In conclusion, for the Forest Service, local communities and those who work and play in the national forests, Title II has been a success.

Title II and the RACS create a positive forum for community interests to collaboratively participate in the selection of resource projects on their national forests, and many valuable projects have been completed.

Thank you for this opportunity to speak, and I will be happy to answer any questions that you might have.

[The prepared statement of Mr. Holtrop follows:]

Statement of Joel Holtr0p, Deputy Chief, National Forest System, U.S. Forest Service, United States Department of Agriculture

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to present the views of the U.S. Department of Agriculture regarding the implementation of the Secure Rural Schools and Community Self-Determination Act of 2000, as amended and reauthorized in 2008 (P.L. 110–343).

Overview

Since 1908, when Congress enacted what is commonly known as the Twenty Five Percent Fund Act (16 USC 500) to compensate local governments for the tax-exempt status of the national forests, the Forest Service has shared 25 percent of gross receipts from national forests with states to help fund public schools and roads. The so-called "25 percent payments" were made to the states for the benefit of public schools and public roads in the counties in which national forests are located. The allocation of the funds between schools and roads varies according to state laws. The receipts, on which the 25 percent payments are based, are derived from timber sales, grazing, minerals, recreation and other land use fees, deposits and credits.

In the late 1980s, 25 percent payments began to decline significantly and fluctuate widely. This was largely due, especially in western states, to a significant decline in timber sales. The declines and fluctuations created hardships for local officials charged with providing services to communities in and near the national forests.

The decline in timber sales, and corresponding reduction in the 25 percent payments, was particularly acute in northern California, Oregon, and Washington. To address this concern, Congress provided "safety net payments" to counties in California, Oregon, and Washington for fiscal years 1994 to 2003. The safety net payments were enhanced payments structured to decline annually and was intended to help the counties transition to the reduced amount of the 25 percent payments.

Before the safety net payments expired, Congress enacted the Secure Rural Schools and Community Self-Determination Act of 2000 (the Secure Rural Schools Act), which provided the option of decoupling the payments from receipts, by authorizing enhanced, stabilized payments to states for fiscal years 2000 through 2006. The Secure Rural Schools Act provided eligible counties with two options. A county could elect to continue to receive its share of the State's 25 percent payment, which fluctuated based on receipts, or the county could elect to receive a share of the State's "full payment amount", which was a stabilized amount. A county that elected to receive a share of the State's full payment amount was required to allocate 15 to 20 percent of the payments to title II (special projects on federal lands) or to title III (county projects). Title II funds could only be spent on projects that were recommended by resource advisory committees (RACs). As part of the initial implementation of the Act, the Forest Service established 55 RACs.

Congress appropriated payments to states for fiscal year 2007, and in October 2008, amended and reauthorized for the Secure Rural Schools Act for fiscal years 2008 through 2011. With a few notable exceptions, the Secure Rural Schools Act as reauthorized in 2008 mirrors the 2000 Act. The primary change was a new formula for the stabilized State payment, which includes a ramp down of funding each year.

In addition, the 2008 reauthorization amended the Twenty-Five Percent Fund Act to reduce the fluctuations in the 25 percent payments. The 25 percent payments are now calculated as the rolling average of the most recent seven fiscal years' 25 percent payments.

In 2008, approximately 70 counties elected to receive a share of the State's 25 percent payment (based on receipts), and approximately 650 counties opted to receive a share of the State Payment (enhanced, stabilized). All together, the Forest Service makes payments to 41 states and Puerto Rico to benefit more than 720 counties, boroughs, townships and municipalities.

The last payment under the Secure Rural Schools Act will be for fiscal year 2011. Under current law, in fiscal year 2012, all eligible states will receive the 25 percent payment to states calculated using the new formula based on a seven-year rolling average of 25 percent payments. The total of 25 percent payments for all states is projected to be approximately $64 million for fiscal year 2012.

The Secure Rural Schools Act has three principal titles. The U.S. Forest Service defers to the Department of the Interior for Secure Rural Schools' activities undertaken by that agency.

Title I—Secure Payments for States and Counties Containing Federal Land

Title I of the Secure Rural Schools Act, as reauthorized, provides the new formula for the State Payment for fiscal years 2008 through 2011. An eligible county's adjusted share of the State Payment is determined by a complex calculation involving multiple factors including acres of national forest, the average of three highest 25 percent payments from 1986 through 1999, and the county's annual per capita personal income. The formula reduces the total payments to all states by approximately 10 percent of the preceding year for each of the four years, 2008 through 2011.

Eight states (California, Louisiana, Oregon, Pennsylvania, South Carolina, South Dakota, Texas, and Washington) receive a transition payment in lieu of the State Payment for fiscal years 2008 through 2010. The transition payment is based on the fiscal year 2006 payment and declines by about 10 percent per year. The fiscal year 2011 payment to these states will be calculated using the same formula used for the other states and will be significantly less than the final transition payments in fiscal year 2010.

The Act directs that the majority of the State Payment be used to help fund county schools and roads. This portion of the payment is commonly referred to as the title I payment and has averaged about 85 percent of the total State Payments to date. For fiscal years 2008 through 2011, title I funds are projected to total nearly $1.5 billion.

Title II—Special Projects on Federal Land

An eligible county has the option to allocate part of its share of the State Payment to title II for projects that maintain existing infrastructure or enhance the health of ecosystems on national forests. Title II provides for the establishment of resource advisory committees to review and recommend projects. The Secure Rural Schools Act as reauthorized added to the duties of the committees and expanded the interests represented by members.

Title II projects enhance forest ecosystems, restore and improve the health of the land and water quality; and, protect, restore and enhance fish and wildlife habitat. Examples are maintenance or obliteration of roads, trails, and infrastructure; improvement of soil productivity; stream and watershed restoration; control of noxious and exotic weeds; and, re-establishment of native species. These projects provide employment in rural communities and an opportunity for local citizens to advise the Forest Service on projects of mutual interest that benefit the environment and the economy. For fiscal years 2008 through 2011, title II funds are projected to total $172 million for projects recommended in more than 300 counties.

Title III—County Funds

Funds allocated by a county under title III may be used on county projects. Title III initially had six authorized uses: search and rescue, community service work camps, easement purchases, forest related educational opportunities, fire prevention and county planning, and community forestry. When the Secure Rural Schools Act was reauthorized, Congress limited the use of title III funds to three authorized uses: activities under the Firewise Communities program, reimbursement for emergency services on national forests, and preparation of a community wildfire protection plan. As reauthorized, title III now directs each participating county to certify annually that title III funds were used for authorized purposes. For fiscal years 2008 through 2011, title III funds are projected to total $87 million.

Additional revenue sharing and payment programs

Along with the payments to states under the Secure Rural Schools Act, the Forest Service shares 25 percent of net revenues from minerals receipts, grazing, and other uses of the national grasslands in the payments to counties program under the Bankhead Jones Farm Tenant Act, (7 U.S.C. 1010–1012). Payments to counties go to approximately 70 counties in 17 states, and total about $15 million annually. There are also payments made under special acts including those in Arkansas for Smoky Quartz (Public Law 100–446), in Minnesota related to the Boundary Waters Canoe Area (16 U.S.C. 577) and in Washington for the Quinault Special Management Area (Public Law 100–638.)

The Forest Service coordinates with the Bureau of Land Management which administers additional payments to certain counties in western Oregon under the Secure Rural Schools Act. In addition, national forests are included in the eligible federal lands for which the Department of the Interior administers the Payments in Lieu of Taxes (PILT) program.

Secure Rural Schools Act successes

For fiscal years 2008 through 2011, the Secure Rural Schools Act will provide nearly $1.5 billion for public schools and roads. The Forest Service values the relationships fostered with tribal and county officials and other stakeholders under title II. The Forest Service expects to have 118 resource advisory committees fully functional by the end of the year in 33 states. Although the chartering and nomination process took longer than anticipated due to the large volume of returning and new RACs (118 total), the Forest Service and Department have continued to improve and streamline the process.

Each of the 15-member committees represents diverse interests such as environmental and conservation groups, watershed associations, forest and mineral development, hikers, campers, off-highway vehicle users, hunting and fishing enthusiasts, tribal, state and local government officials and teachers and officials from local schools. These groups learn about the richness of natural resources on the national forests, and share their knowledge of the natural and social environment. Members hear one another's views, interests and desires for national forest management and come to agreement on projects that will benefit the national forests and nearby communities.

Here are a few examples that illustrate successful projects undertaken with title II funding since 2001. In southwest Washington, a four-county partnership with the Forest Service increased the efficiency and effectiveness of what were previously poorly-coordinated, separate, under-funded programs to reduce noxious weeds, one of several authorized uses of title II funds. Prior to the title II funding, each county had limited means to fund this important work to protect habitats and forest health. Through the Secure Rural Schools Act, projects recommended by the RAC have supported a comprehensive weed control program on national forest and county lands and has enabled each county to leverage additional program funds through several other partnerships. Youth conservation crews and private contractors were used to accomplish the work.

In fire-prone northern California, title II funding has supported numerous projects to improve forest health including fuel-breaks to reduce the severe effects of catastrophic wildfire on watersheds and communities and to protect important fish and wildlife habit. In Lassen County alone, partnerships have provided more than $5 million in additional resources and support. The additional benefit of these projects is to help provide employment in hard-hit rural communities.

Title II projects have enjoyed broad-based support, and none have been appealed. In total, projects valued at $172 million in more than 300 counties have been funded under Title II to maintain and improve the environment and provide local employment.

Conclusion

The Secure Rural Schools Act has provided more than a decade of transitioning payments to eligible states and counties to help fund public schools and roads and provided predictably declining payments to states to transition to the 25 percent payment. In addition, it has also created a forum for community interests to collaboratively participate in the selection of natural resource projects on the National Forests, and assisted in community wildfire protection planning.

Thank you for the opportunity to discuss this program with the Subcommittee. We would be happy to answer any questions you may have.

Mr. GRIJALVA. Thank you very much, sir. Ed Roberson, Assistant Director for Renewable Resources and Planning, Bureau of Land Management. Thank you, sir, for being here. Welcome back. We look forward to your testimony.

STATEMENT OF ED ROBERSON, ASSISTANT DIRECTOR FOR RENEWABLE RESOURCES AND PLANNING, BUREAU OF LAND MANAGEMENT, U.S. DEPARTMENT OF THE INTERIOR

Mr. ROBERSON. I appreciate it. Thank you both, Chairman and Ranking Member, and members of the Committee. I appreciate the opportunity for BLM to discuss our implementation of the Secure Rural Schools Act at the midpoint of its reauthorization, and we have submitted written testimony, and I would just ask that it be put in the record.

Of the 245 million acres of public land managed by the Bureau of Land Management, our Secure Rural Schools Act program applies exclusively to 2.4 million acres, spanning the 18 O&C counties in western Oregon.

It builds off the foundation of the 1937 Oregon and California Lands Act, under which 18 counties receive yearly payments equal to 50 percent of the receipts from timber harvests on BLM managed lands.

Those receipts dropped at the beginning of the 1990s due to declining harvests in the O&C. The Secure Rural Schools Act program strives to support county governments through direct payments. It also encourages local economic development through restoration projects on public lands.

The BLM has a minor role in implementing Titles I and III of the Act, which provide funds directly to the counties. Just as Joel stated, under Title II, that is what I would like to focus on.

The BLM works in active collaboration with Resource Advisory Councils (RACs) to fund and implement restoration projects that will improve resource conditions on public lands.

Five RACs, one for each of the BLM districts in western Oregon, review proposals, recommend their priorities for Title II funding. The RAC members are drawn from local communities and represent diverse interests.

In the two years since the Act was reauthorized the five RACS have recommended a total of 319 Title II projects, and the BLM has approved more than 14.6 million to implement them.

Currently, the RACs are reviewing 272 proposals, and we expect to receive recommendations on those this summer. Since 2001 the BLM has used Title II authority to reduce threats from insects, disease, and fire, on over 3,500 acres of forests and woodlands.

We have restored nearly 250 acres of grasslands, reduced hazardous fuels on 265 acres, constructed and maintained over 100 miles of recreational trails, eradicated weeds on some 30,000 acres, and restored about 250 miles of streams.

No RAC-approved project has been protested, appealed, or litigated. With this collaborative process the BLM land and resource conditions in the O&C have been improved, and there have been jobs provided to local contractors and on-the-ground training opportunities have also been made available.

To give a few examples, in Josephine County, BLM is partnering with a cooperative association to provide work crews to complete restoration projects, while offering on the job experience for local at-risk youth between the ages of 16 and 21.

In the Roseburg area, local conservation groups worked with the BLM to plant over 3,000 willow poles and restore wetland conditions for the endangered Harry Popcorn Flower.

Near Keno, local contractors worked with the BLM to restore a three mile section of Spencer Creek by placing over 50 log structures in the creek to restore its natural habitat and increase native fish population.

I have included photographs of these Title II projects in with our written testimony so that you may look them over. The BLM Title II program faces a big challenge. Because RAC numbers are not staggered, the RACs are expecting 63 vacancies out of the 75 positions when members' terms expire in August of 2010.

The current RAC charters allow for them to continue for an additional 120 days. We hope to fill the vacancies before December 15th, and are actively recruiting new members.

In addition to publishing the Federal Register notice, the BLM expects the use of the new social media—new to us—to generate interests in the significant role that RAC members play in restoring and enhancing public lands.

We want to make sure they understand how important this role is so that they will submit their nominations. The BLM has enthusiastically implemented the Title II authorities, and we look forward to continuing important work in the coming year, and I am happy to answer questions. Thank you, Mr. Chairman.

[The prepared statement of Mr. Roberson follows:]

Statement of Edwin Roberson, Assistant Director, Renewable Resources and Planning, Bureau of Land Management, U.S. Department of the Interior

Thank you for the opportunity to discuss the Bureau of Land Management's (BLM) implementation of the Secure Rural Schools and Community Self-Determination Act of 2000 (P.L. 106–393) at the mid-point of its reauthorization by the Emergency Economic Stabilization Act of 2008 (P.L. 110–343). The Secure Rural Schools Act applies to nearly 2.4 million acres of BLM-managed public lands in 18 counties located in western Oregon (generally called the "O&C"). The BLM defers to the U.S. Forest Service on activities accomplished by the Forest Service on its lands. I will briefly summarize the unique relationship between the Department of the Interior and these 18 counties and then describe the BLM's successes and challenges in implementing the Secure Rural Schools Act.

O&C County Payments

The Secure Rural Schools Act builds upon the foundation laid in 1937 with enactment of the Revested Oregon and California Railroad and Reconveyed Coos Bay Wagon Road Grant Lands Act (the O&C Lands Act). The O&C Lands Act directs the Department of the Interior to manage the O&C lands for "*the purpose of providing a permanent source of timber supply, protecting watersheds, regulating stream flow, and contributing to the economic stability of local communities and industries, and providing recreational facilities.*" Under the O&C Lands Act, the 18 O&C counties receive yearly payments equal to 50 percent of receipts from timber harvests on public lands in these counties.

In the years between 1989 and 1993, income to O&C counties from timber harvests dropped significantly from the historic highs experienced in the late 1980s due to litigation on threatened and endangered species. In response, Congress enacted "safety net payments" to stabilize income flow to timber-dependent counties during this period through the Omnibus Budget Reconciliation Act of 1993 (P.L. 103–66).

To make up for the reduction in O&C county payments from decreased timber harvests, Congress repealed the "safety net payments" and enacted the Secure Rural Schools Act in 2000. It set a stable level of O&C county payments in each of the subsequent six years. The Act provided the O&C counties with the option of receiving a full payment amount equal to the average of their three highest timber receipt years from 1986 through 1999. In addition, under the Act the counties elect the percentage of the payment to be distributed directly to the counties (Title I), and the remaining percentage to be allocated between Title II projects (administered by the BLM), Title III projects (administered by the counties), or returned to the Treasury.

The payments have been extended twice. The first extension (P.L. 110–28) was for a one year payment. The second (P.L. 110–343) extended payments for 2008 through 2011. As amended by P.L. 110–28, payments are a declining percentage of the payments made in previous years. When the law sunsets, the payments based on 2012 receipts to the 18 counties in western Oregon would revert to the 50 percent share of federal receipts from activities on O&C lands.

Title I & Title III—County Payments

The Secure Rural Schools Act authorities are set out in three sections. Title I of the Secure Rural Schools Act replaces receipt-based county payments and accounts for 80 to 85 percent of the total payment. Title III of the Act provides funds for eligible county expenditures and accounts for up to 7 percent of the total payment. The BLM has only a minor role in implementing Titles I and III of the Secure Rural Schools Act.

Title II—RAC Collaboration

Title II of the Secure Rural Schools Act authorizes up to 15 percent of the total payment amount each year to fund restoration projects on public land in the O&C and on private land if the project benefits public land resources such as in watersheds.

Title II established a structure—Resource Advisory Committees [1] (RACs)—to promote cooperative working relationships among the people who use and care about the O&C lands and the federal agencies responsible for managing the resources. There is a RAC for each of the five BLM administrative districts in western Oregon (Coos Bay, Eugene, Medford, Roseburg, and Salem) that cover the 18 O&C counties. Each RAC has 15 members representing three interest areas equally: commodity interests, non-commodity interests, and local area interests. Current and previous RAC appointments have included representatives of state and local governments, tribal interests, watershed councils, private and nonprofit entities, and landowners. RACs are chartered for two-year terms; members are appointed by the Secretary of the Interior and provide this community service without compensation.

The requirement that RACs represent diverse interest groups offers the BLM opportunities to engage early and often with individuals holding a wide range of opinions on western Oregon resource management. Title II allows the BLM to bring local representatives to the table to help prioritize funding so it can be spent most effectively. The RACs review restoration projects proposed by both external partners and the BLM, and screen project proposals to ensure they meet the legislative intent of the Secure Rural Schools Act. The RACs then recommend their highest priorities for Title II funding to the BLM.

Successes

Since the Act's reauthorization in 2008, the RACs have recommended 319 Title II projects out of a total of 470 proposed projects, and the BLM has approved more than $14.6 million of Title II funds to implement these projects. The RACs are currently reviewing the 272 project proposals for FY 2010 and are expected to make recommendations this summer. Projects have included hazardous fuels reduction; stream and watershed restoration; forest road maintenance and road decommissioning; noxious weed eradication; and fish and wildlife habitat improvement. These projects also provide job opportunities in rural western Oregon counties.

By working collaboratively with the RACs and incorporating local input, the BLM strives to build consensus on natural resource issues. No RAC-approved project has been protested, appealed, or litigated. Through the RACs, trust and solid working relationships are being strengthened between the counties and the BLM, and between very diverse interests.

[1] The Secure Rural Schools Act Resource Advisory Committees are separate and distinct from the BLM's state or regional Resource Advisory Councils, which are authorized by the Federal Land Policy and Management Act (FLPMA).

The following are a few examples of successful Title II projects undertaken by the BLM under the Secure Rural Schools Act:

- In Josephine County (BLM Medford District; Medford RAC), the BLM is partnering with The Job Council, a cooperative public association providing workforce resources, to conduct a variety of restoration and land management activities. This cooperative project received Title II funding for the previous two years that resulted in the construction of new trails, removal of noxious weeds, upgrade, and maintenance of existing trailheads, and maintenance of recreation sites. The BLM's partnership with The Job Council provides the agency with work crews to complete projects that enhance the public lands while offering on-the-job experience and forestry education opportunities for local youth ages 16–21. (Attachment 1)
- The BLM is using Title II funding to restore habitat critical for the protection of special status species. In BLM Roseburg District (Roseburg RAC), Title II funds are restoring wetland conditions necessary for the survival of the endangered hairy popcorn flower (*Plagiobothrys hirtus*). Compacted soil resulting from historic grazing practices, road construction, and inadequate drainage has reduced water flows to the habitat of this endangered plant. This Title II project is restoring the beneficial wetland conditions through willow plantings, placement of log structures in stream channels, installation of erosion matting on high angle banks, and creation of drainage dips in a nearby road. (Attachment 2)
- A Title II project restored a three-mile section of Spencer Creek near Keno, Oregon (BLM Lakeview District; Medford RAC). Over 50 log structures, created from 220 cull logs salvaged from local timber sales, were placed in Spencer Creek to reestablish its original sinuosity, channel complexity, and gravel accumulations. Additionally, the project plans to restore the creek's natural habitat and increase the population and distribution of native fish and amphibians, including the Klamath River redband trout, Klamath small-scale sucker, lamprey, and Pacific giant salamander. (Attachment 3)

Challenges

The BLM has found its RAC members to be extremely committed to the community services they perform. Many RAC members work with multiple counties located within RAC boundaries and have done an outstanding job balancing diverse interests, while developing cooperative project recommendations.

BLM has experienced some difficulties with RAC vacancies. The law does not allow the RACs to meet, review, and recommend project funding if vacancies on a RAC panel prevent the establishment of a quorum. Vacancies on a RAC, if unfilled, may prevent the RAC from meeting and recommending projects to be funded. This, in turn, can prevent the BLM from initiating a Title II project on the ground in a timely manner.

Because RAC member terms are not staggered, the Secure Rural Schools RACs are expecting a total of 63 vacancies (out of a total 75 positions) upon expiration of members' terms in August 2010. The current RAC charters (filed in January 2010) provide for 120 days of membership continuity, so if members are not appointed by August 15, current members will continue to serve on the RACs until December 15, 2010, or until new members are appointed. Many of these members have pledged to remain available for service on the RACs until the law sunsets. The BLM is currently working to fill the expected vacancies. Given the complexities involved in filling RAC positions, the BLM is extending the call for RAC nominations.

Conclusion

The BLM has enthusiastically implemented the authority given to it under Title II. It has enabled the BLM to accomplish on-the-ground improvements in land and resource conditions in the O&C Lands and promoted economic stability of local communities. The RAC process has strengthened working relationships among diverse groups, individuals, and federal agencies with the shared goal of improving the condition of the O&C lands. The BLM looks forward to continuing this important work in the coming year.

Thank you again for the opportunity to discuss the BLM's implementation of the reauthorized Secure Rural Schools Act. I am happy to answer any question you may have.

Mr. GRIJALVA. Thank you, sir. This first question is for both of you gentlemen. What difficulties have the Forest Service and BLM, and the counties, I guess, experienced with the new formula out-

lined in the reauthorization? If you could speak a little about those challenges with that new formula.

Mr. HOLTROP. Well, with over 700 counties, and the formula has both the number of acres of Federal land in the county, there are some complexities, with another factor being the income level of each of the counties.

There are just a lot of details that are associated with it. There has also been the fact that there has been the transition payments for eight States that have required a second level of calculation as well up through 2011, or up through 2010.

Mr. GRIJALVA. Sir?

Mr. ROBERSON. The BLM has really been focused on Title II and the money that arrives, and I think that our biggest problem is with making sure that we have RAC members that can make the decisions, or help us make the decisions on what to actually spend and get it spent before the expiration of the Act.

Mr. GRIJALVA. Let me follow up if I may, Mr. Roberson. In terms of staffing the RACs, do you have any recommendations to deal with that issue; and would you change the makeup of the RACs?

And you mentioned expediting the approval of nominees. Any comments on any one of those or on all of them?

Mr. ROBERSON. Yes, Mr. Chairman. We had some challenges last year in getting RAC nominations. We had some challenges this year. I think we are trying to broaden our outreach and do a better job of that.

Also, these RAC members are reviewed by the county commissions, the Governor. They go all the way up through our department, and it is similar to what the Ranking Member mentioned, that they go all the way to the White House, and so there is a time frame involved in that.

So, one, we have an issue with making sure that we get the word out to people that here is an opportunity for you to really make a difference, and it is going to be a time—you know, our Roseburg RAC, most RACs only meet twice a year, but Roseburg meets about six times a year.

And that is a time commitment for people. So we want them to realize that that time commitment is really worthwhile, and as I mentioned, none of the RAC-approved projects have been litigated or protested.

So it is a really good formula. We are streamlining our approval, our review and approval process, and we do anticipate that we will be able to get those 63 new members on board by December 15th when the current terms expire.

Mr. GRIJALVA. And my question about the makeup of the RACs, do you see any need to deal with that, or change it?

Mr. ROBERSON. I don't, sir. I think that they do represent a broad group of constituents in the area, and so I don't see any need.

Mr. GRIJALVA. Mr. Holtrop, the timber industry, we all know, continues to struggle during this recession, and it is unlikely that it will ever return to those pre-1990 levels. Do you have any thoughts on changing the formula to account for factors such as number of conservation acres, or level of wildfire preparedness, as part of the formula?

Mr. HOLTROP. I think there are a lot of different approaches that could be considered and taken. I think that those are a couple of suggestions, and that I would certainly be willing to continue to work with you and other members of the Committee to see how that would play out, in terms of the financial aspects of it.

There has been quite a bit of work done in the past in looking for ways to secure what we all understand and recognize as a need for some long-term certainty in how this funding is going to occur.

Mr. GRIJALVA. I appreciate that. Mr. Bishop.

Mr. BISHOP. Thank you, Mr. Chairman. To both of you, Mr. Roberson, and Mr. Holtrop, I appreciate you being here. I appreciate the services that you are giving to this country in your various areas.

I will still criticize your agencies, but I appreciate what you two are doing in those agencies specifically. Mr. Holtrop, let me come back to you and ask the same question that the Chairman did of Mr. Roberson, dealing with the Resource Advisory Councils.

Who is responsible for appointing the people to those RACs?

Mr. HOLTROP. The appointments are vetted at the Department level in the White House.

Mr. BISHOP. So we have been hearing for the past couple of years that appointments to RACs are taking an unusual amount of time, and in some cases an unacceptable amount of time.

And we are also hearing that there are millions of dollars for Title II projects that are still sitting in accounts because the Administration, and the Secretary of Agriculture, are taking so long to clear appointments. Has the appointment process for RACs slowed over the past two years?

Mr. HOLTROP. Well, when the Secure Rural Schools Act was reauthorized in 2008, there was a significant increase in the number of RACs that were formed at that time, and so I think that there was a backlog that formed immediately with the reauthorization.

Many more counties chose to become involved in the Secure Rural Schools Program, and so there was a large number of new appointments that needed to occur, and it has taken time.

It has taken more time than any of us wished it had, but I do think as Mr. Roberson mentioned, I think that we are looking for ways to streamline, and I think we have made some progress, and we have every expectation that we will have all of our committees filled before the end of the year as well.

Mr. BISHOP. So if I was a donor to the RAC would I have a better or less chance of getting appointed? That is not a legitimate question, and even if I did ask that one, I wouldn't expect an answer from you.

Let me go to something that you can answer, which deals with roads. Many of the witnesses on the second community panel will testify to the importance of road construction and road improvements in the communities, especially given the fact with how much forest land is in their areas.

Do you believe that the double-digit budget cuts the President recommended in FY 11 for road construction and road maintenance will have an impact on these communities, and if so, will it be detrimental or positive?

Mr. HOLTROP. Well, the President's budget, of course, is weighing all of the various constraints, and we have a constrained budget, and many competing interests. The President's budget includes funds in several different areas for funding for roads, and we do recognize the importance of roads, and road maintenance.

In some cases when it is time to decommission roads, those funds need to be made available to accomplish that so that we have a correctly-sized road system and the resources to maintain it. That is what we are working toward with this budget, and Title II funding helps us with that as well.

Mr. BISHOP. So let me ask you about last year, 2009. How many new roads or how many new miles, how many miles of new roads did the Forest Service actually construct in '09?

Mr. HOLTROP. I will be happy to get back to you with that figure. I don't have the figure off the top of my head, but the number of new miles of road constructed is a fairly small number. It is probably less than a hundred miles.

Mr. BISHOP. Is that the best ballpark that you can give me?

Mr. HOLTROP. For right now that is the best ballpark that I can give you, and I can give you a precise number very shortly.

Mr. BISHOP. Let me say that if you are in that same ballpark, if you go just to the infield, you will be closer to the actual number that you did construct last year. I would appreciate you getting that number.

Mr. HOLTROP. I will get it for you.

Mr. BISHOP. I understand the number is actually 16 miles, which would be under a hundred. I appreciate your answers, and Mr. Chairman, I will yield back.

Mr. GRIJALVA. Mr. Chairman, any questions?

Mr. RAHALL. No questions.

Mr. GRIJALVA. Mr. Luján.

Mr. LUJÁN. Mr. Chairman, thank you very much. Mr. Roberson, as revenues are being collected on BLM land, especially compared to the way that resources are shared with States for rural education with the United States Forest Service, why is it that we don't see more revenue being shared from oil and gas, or from grazing, with those States that have a lot of BLM land where there is revenue coming in?

Mr. ROBERSON. There is sharing, sir, through the royalty disposition that we have, similar to the O&C Act. There are half of the royalties that go back to the State, and some of the original trust lands in the State were set aside for the State from the Federal Government so that they could support their schools.

And part of the grazing fee goes back in as well, but I could get back to you on the exact numbers so we could talk about how much money goes back into the various States from our oil and gas royalties and from grazing.

Mr. LUJÁN. Is there a possibility that we might be able to establish SRS as a payment program like the United States Forest Service has, and where the BLM apparently does not have one, to accumulate funds like the Forest Service?

Mr. ROBERSON. That is beyond my—I really can't answer that question. I am sorry, Mr. Luján. I mean, we can get back to that.

Mr. LUJÁN. That is fine. Mr. Chairman, through our deputy chief, Mr. Holtrop, thank you again for being here. There is a question that I have with some infrastructure that we have within our forest lands in New Mexico that actually predate the United States Forest Service that typically are not seen maybe as part of the United States Forest Service, and they are called acequias.

There is a ditch, a waterway system, and an old aqueduct system that provide sustainability and subsistence for many of our northern communities. Are there opportunities or programs that we might be able to engage in to help maintain the integrity of these acequias working with those local communities who depend on these areas, and to even make sure that as we look at these programs, even though not directly related to the education fund, they play a key part in education in this part of the country, and especially in our State and these prominently Hispanic communities?

Mr. HOLTROP. I am aware of the importance of these facilities, and I assure you that we would like to continue to work with you, both at the local level and if there are things that I can do here to help pursue ways to make sure that we are adequately accounting for those, I would be happy to do so.

Mr. LUJÁN. Thank you, Mr. Chairman, and to the Chief, thank you very much. I will take you up on that, and we will be getting in touch soon. With that, Mr. Chairman, I yield back the balance of my time.

Mr. GRIJALVA. Thank you, Mr. Luján. Mr. DeFazio.

Mr. DEFAZIO. Thank you, Mr. Chairman, and thanks for convening this very important hearing, particularly important for my State and my district. Mr. Holtrop, you already addressed the issue in part, but I am concerned about the RAC appointment process, and think that it really needs to be somehow streamlined or simplified, because we are now going to be looking at—what, there are 124 now?

Mr. HOLTROP. 118.

Mr. DEFAZIO. 118, and they all have terms, and so they are all going to be coming up for reappointment, and so isn't there the prospect that you are going to get overloaded again? I mean, vetting everyone of—every person for 118 RACs is a tremendous task.

Is there a way to simplify the process, have longer terms, have staggered terms, do something so that we would always be assured of having a quorum on all the RACs, because we had quite a few RACs recently that couldn't operate because they didn't have quorums.

Mr. HOLTROP. I think those are both excellent ideas, staggering, and having longer terms. I do think that we have learned some things through the vetting process with the volume of business that we had here in the last couple of years, that we have learned some ways to be more efficient, and we would continue to utilize that as well. So I continue to look forward to ways, and to find ways to do that.

Mr. DEFAZIO. Well, we would be pleased to have some recommendations, but in absence of recommendations, we will have to come up with some, because I think the process needs to be improved. So if the Agency has recommendations, and/or Interior, that would be great.

I am going to read you both a quote from our ultimate boss, and that would be President Obama. "What I would like to do is convene meetings between Federal Agencies, local and State governments, and interested parties, and start hammering out a long-term solution that acknowledges the revenue issues that are at stake for local government."

That is in reference to the Safe and Secure County Rural Schools Act. Federal Agencies have been meeting and discussing how we are going to extend this, since we are facing the extinction of the program in the very near future.

Can you tell me about that, and what kind of process is going on downtown, and what high-level meetings are going on, and what kind of meetings are you having other than people who asked for appointments with local and State governments and interested parties?

Mr. HOLTROP. There certainly have been conversations and recognition that the program concludes in a couple of more years.

Mr. DEFAZIO. A year from October actually.

Mr. HOLTROP. Right. And that is the reason that I said a couple of more years, is that the funding would continue, and the funding comes the year after. So there will still be some Title II projects the following fiscal year.

Mr. DEFAZIO. Yes, but we are not just talking Title II here. We are talking about a small percentage of the program, and Title III, which is a small percentage of the program. We are talking about the payments to counties and school districts.

And I have counties that were looking at the last expiration date, before we extended the program, which had consulted with attorneys on dissolution. We have not done anything like that since the Great Depression.

We are in a bit of a Great Recession, but I would think that other than conversations and recognition, I am just not aware—and I have discussed this personally with the President, and I have discussed it with both Secretaries—I am pretty frustrated.

I don't feel that there is a high-level focus and/or sense of urgency, and I know that the OMB people carefully scrub all your testimony and don't allow you to refer to anything where we might spend money to help people, or school districts, or have public services, or law enforcement, or any of those things.

But it just seems to me that the two agencies, that I just don't hear anything going on, or see anything going on, and I would like to know how we can get something moving here, in terms of a meaningful dialogue and discussion.

There are grassroots groups organizing, and that is great, but what is going on in this Administration? I can read you a number of other quotes from the President where he promised a long-term solution, stability, and all those things, and I will certainly be holding him to account, and he will be held to account in the next election cycle.

But I would hope that we wouldn't have to get to that point, and that he would want to deliver on these promises, and so there has been no direction from the president that you are aware of, or the Secretaries have not discussed putting together ongoing working groups at a high level, or anything like that?

Mr. HOLTROP. Well, I am aware of the quote, and I am aware of the interest in doing so, and I do believe there is both the responsibility at our level to be looking at ways to come up with approaches that are going to help us deal with what is obviously a significant transition that is going to occur when this authorization ends.

Mr. DEFAZIO. Well, it is not a transition. It is a collapse actually. It is not a transition. For many of these counties in my State, there is no alternative.

We are Constitutionally limited in our State in raising property taxes. So they don't have that option, and basically some of our counties won't even be able to keep their jails. I mean, that is more than a transition.

Mr. HOLTROP. Yes, sir.

Mr. DEFAZIO. How about over in Interior?

Mr. ROBERSON. I think that Mr. Holtrop expressed it well. I don't have much to add. I know that we are in the process of formulating the 2012 budget, and there are negotiations, discussions, about it in that process, and when the President is ready to present that, hopefully that will address your concern.

Mr. DEFAZIO. Well, that will be great, and I would just like to know that those discussions are meaningfully going on, and there is meaningful consideration, and there will be a proposal.

But I will have to, I guess, follow up with some higher level folks and see if we can get a more transparent robust process going here to be sure that we don't get or are forgotten in the crush at OMB to eradicate as many programs as they can. So, thank you, and thank you, Mr. Chairman.

Mr. GRIJALVA. Thank you, and I have no further questions, unless members of the Committee have any followup.

[No response.]

Mr. GRIJALVA. Thank you, gentlemen, and let me invite the next panel up.

Mr. LUJÁN. Mr. Chairman, this is Mr. Luján. If I could just make reference to a letter. I know that Mr. DeFazio co-authored it, and I know that there were many of us that did sign on, and it did go to the President, talking about the importance of these programs.

And again just to reinforce what Mr. DeFazio is saying, these are school districts, and when we talk about States that are not receiving any help with the race to the top, my State is one of those.

And these are programs that will be devastated, and so when we talk about education, and money that is disappearing, a State like New Mexico, where we have numbers and problems that we are already exceeding, and compounded by this program disappearing, and not being in line right now for race to the top, again with the second round.

The President has clearly said that the path out of poverty is education, and these are people who have sacrificed so very much so that the rest of the country, and the rest of the world, can visit some of the most beautiful lands that exist. There is a way for us to make sure that we put people on a path to success, and this is one of those programs that will help achieve that. So, thank you very much, Mr. Chairman.

Mr. GRIJALVA. Thank you, sir, and gentlemen, I appreciate it very much, and let me invite the next panel.

[Pause.]

Mr. GRIJALVA. Let me welcome our witnesses. Thank you very much for being at the hearing, and those of you who had to travel long distances, we are particularly appreciative of all of you for being here. Let me now ask my colleague, Mr. Luján, for introduction of one of the witnesses. Sir.

Mr. LUJÁN. Mr. Chairman, thank you very much. Chairman Grijalva, today I have the pleasure of introducing one of my constituents and a friend from Chimayo, New Mexico, County Commissioner Elias Coriz of Rio Arriba County.

Commissioner Coriz has served on the Rio Arriba County Commission for over the past decade in a number of capacities. They give him a full range and unique understanding of the implementation of this important program for rural New Mexico communities.

For the past 7-1/2 years, Elias has served as a County Commissioner, with four of those years serving as Chairman. He served as a member of the Española School Board, and has a sound perspective into both the funding of rural schools and the implementation of these funds.

As a trustee of the Jemez Mountains Electric Cooperative, and as a member of the county who represents our tribes, our stockmen, our land grants, and our executives alike, Commissioner Coriz sees these issues in our community in a unique way.

New Mexico's schools have concerns unique to our State, with diverse student populations, abundant Federal lands, numerous rural counties, as well as limited Internet access. There are many challenges facing our students.

While many overcome these difficulties, I am proud to have Commissioner Coriz here to share his perspective and to give us his insight and thoughts on what we can do to make education more accessible for these students, and students all across America.

Thank you for attending our hearing today, Commissioner Coriz, and I look forward to hearing your testimony. With that, Mr. Chairman, I yield back my time.

Mr. GRIJALVA. Thank you, sir. Let me begin with Mr. Paul Pearce, National Association of Counties. County Commissioner, the floor is yours.

STATEMENT OF PAUL PEARCE, NATIONAL ASSOCIATION OF COUNTIES, STEVENSON, WASHINGTON

Mr. PEARCE. Thank you, Mr. Chairman. Thank you, Chairman Rahall, and thank you very much, Chairman Grijalva, and Ranking Member Bishop, who has had to leave, for this opportunity for me to testify on behalf of the National Association of Counties.

Seven hundred twenty-nine counties, or 24 percent of the counties in this country, have national forest lands as part of their land base, some of them up to 90 percent. The 154 national forests cover an area of 193 million acres.

These counties are responsible for the infrastructure, schools, roads, and other infrastructure to maintain those counties that are the host of those particular forests. I think what is important to say is Gifford Pinchot, the first Forest Service Chief, said those forests were created for the greatest good of the greatest number of folks for the longest period.

In 1891, Congress created forest reserve authority through the General Revision Act, and by 1905, those reserves were more than 80 million acres, all of which came from counties.

President Roosevelt remade the United States Bureau of Forestry into the USDA Forest Service, and Gifford Pinchot was the first chief. It began a three-year process, which resulted in Congress transferring all forest reserves to the new Forest Service.

The 1908 Act also concluded a conversation between the counties, the Congress, and the Administration. The contract fulfilled a second promise from Gifford Pinchot, who said that no community would suffer from hosting these lands.

And I don't think we can say that that is true necessarily any longer. The contract was for revenue sharing, 25 percent of all revenue generated on these lands. It clearly made sense at that time because we were extracting resources for a growing Nation, and it was in the best interests of all.

The contract worked well for nearly a century and into the late 1980s, when court decisions, Endangered Species listings, like the spotted owl, and a general change in the priorities of the Nation dramatically reduced timber and other extraction.

In 1994, Congress created a 10-year program called Owl Guarantee Monies for those counties that were hardest hit. In 2000, Congress passed the Secure Rural Schools Act, three years prior to the end of the Owl Guarantee Monies, which authorized payments through 2006.

These payments were a lifesaver for forest counties, and again in 2007, there was a one-year reauthorization, and then in 2008, the four-year reauthorization. That reauthorization could not have come at a better time, and it clearly recognized the ongoing contract between these forest counties, who host these forests, and the Federal Government, and it has been a tremendous success.

The Act has three titles. Title I is payment for county roads and schools. Each State determines the division based on the 1908 law. The money equates almost exclusively in these counties and schools as jobs.

There are county road employees, and there are school employees, and without this symbiotic relationship, children will not be able to get to school. They may not even have schools to get to or teachers to instruct them.

I mentioned how important the 2008 reauthorization was. When that came in the fall of 2008, it was at the same time that the economy was pretty much in free fall, as Congress recognized.

And according to Dr. Eylers' economic analysis, and that report is attached to my testimony, these payments in these 700 counties have an impact to the tune of $1.3 billion in sales, $188 million in realized tax revenues at both the State, local, and Federal level, and most importantly represent 11,000 jobs.

Just consider for a moment had it failed, and had we not gotten reauthorization at the same time that the economic downturn came. The loss of one family wage job in a county often means that they have to move.

That means that you lose the spouse's employment, and the children are pulled out of the school, which just creates a downward spiral. So on behalf of NACO, we want to thank the Congress for

the reauthorization, which resulted in so many positive economic benefits to our communities and schools, these rural communities and schools.

The century long contract has served its purpose well, keeping these forest counties and schools vibrant and successful. Others will talk about the RACs. The RACs are an absolute success, and will be even more so once we get them fully outfitted with folks.

They are the most successful collaborative nationwide effort ever seen within the Forest Service, and I think they should be used for more than just resource advisory. They should be there collaborating on all things.

Title III, which is money to the counties specifically for county services that result in services on the forests from the county, in the original Act, there was a number of services, including emergency services, fire planning, community service work camps, easement purchases, and so on.

The new Act actually did away with all of those, except for the emergency services, and community wildfire planning and implementation. In terms of search and rescue, in my county alone, which we have 88 percent of our county as the Gifford Pinchot National Forest, and Mount St. Helens, the Mount St. Helens National Monument, and 80,000 acres of the Columbia Gorge Scenic Area, we have had two searches this year that were in the hundreds of thousands of dollars.

One of those searches was a gentleman who fell into a crater at Mount St. Helens, and it cost $150,000; and another one was a young lady who was lost near the Columbia Gorge, and sadly it was a recovery. It was a two-week search, and it was a $550,000 bill to the State, local, and Federal folks.

Mr. GRIJALVA. Commissioner, if you could wrap it up.

Mr. PEARCE. Yes. The last two things that I wanted to mention is that the Forest County Payments Committee, which met and made a report in 1993, was made up of members appointed by Congress, including Mark Evans, Dr. Tim Creal, and Bob Douglas from the Schools Coalition, Doug Roberts from the County Commission, and Elizabeth Estill, who was a Deputy Chief of the USDA Forest Service.

And they made a recommendation, which we will put into the testimony, but it talks about a 10-year reauthorization. It talks about establishing minimum payment levels, and that this program should continue. That was a report to Congress. Finally, I just want to state——

Mr. GRIJALVA. Let me say that the whole statement is in the record, and we are asking people to try to summarize their opinions in five minutes, but please.

Mr. PEARCE. Thank you. I apologize.

Mr. GRIJALVA. There is no need to apologize.

Mr. PEARCE. As to Mr. Bishop's concern with reference to PILT, I am the Chair of the NACO Federal Payment Subcommittee of the Public Lands Steering Committee, and I want to affirm to him and everyone else that we are committed to the continued full funding of the PILT program nationally, and it is one of our primary platforms. Thank you very much.

[The prepared statement of Mr. Pearce follows:]

Statement of The Honorable Paul Pearce, Commissioner, Skamania County, Washington, on behalf of the National Association of Counties (NACo)

On behalf of the National Association of Counties (NACo) I wish to thank Chairman Rahall, Ranking Member Hastings, Subcommittee Chair Grijalva, Subcommittee Ranking Member Bishop, and members of the House Natural Resources Committee for this opportunity to discuss the benefits and successes of the Secure Rural School and Communities Self Determination Act.

Seven hundred twenty nine (729) or 24%, of the nation's three thousand sixty eight (3068) counties contain national forests, some equaling up to 90% of their land mass. The 154 National Forests cover an area of 193 million acres across this country. These counties are responsible for the infrastructure .... Roads, Schools, and Emergency services ... that allow those forests to exist for ... .. as Gifford Pinchot, the first Forest Service Chief, said "The greatest good, of the greatest number, for the long run."

In 1891 the Congress created Forest Reserve authority through the General Revision Act. By 1905 those reserves had grown to more than 80 million acres. President Roosevelt remade the U.S. Bureau of Forestry into the USDA Forest Service with Gifford Pinchot as the first chief forester. That began a three year process which resulted in Congress transferring all forest reserves to the new Forest Service.

The 1908 Act also concluded the conversation between the Counties containing these forests, Congress and the Administration. The contract fulfilled the promise of Gifford Pinchot who said that no community would suffer for hosting these lands. The contract was for revenue sharing .... the first in the nation .. of 25% of all revenues generated on these lands. This clearly made sense at the time as the growing nation extracted renewable resources for the good of all.

The contract worked well for nearly a century ... into the late 1980's when court decisions, Endangered Species Listings, such as the spotted owl, and a general change in the priorities of the nation dramatically reduced timber and other extraction. In 1992 congress created Owl Guarantee monies for those counties hardest hit by the spotted owl.

In 2000 Congress passed the Secure Rural School and Communities Self Determination Act which authorized payments through 2006. These payments were a life saver for our forest counties. In 2007 Congress reauthorized for one year and then in 2008 reauthorized for an additional four years through 2011. This reauthorization could not have come at a more appropriate time and clearly recognized the ongoing contract between these forest counties and the Federal government—and what a tremendous success it has been.

The Act has three Titles, each of which has clearly defined responsibilities.

Title I is payments for county roads and schools. Each state determines the division of these funds based on the original 1908 revenue sharing law. This money equates almost exclusively in these communities to jobs—county road and school employees. Without this symbiotic relationship our children would not be able to get to school, often over large distances, nor would they necessarily have schools to attend or teachers to instruct them.

The gateway communities to our national forests would simply not exist without this infrastructure. These County roads are how the vast population that recreates on these millions of acres travel to and from them.

I mentioned how this reauthorization could not have come at a better time. Reauthorization in the fall of 2008 came at the same time as the economy was beginning to fall apart. According to Dr. Eylers' economic analysis (report attached) these payments have an impact to the tune of 1.3 billion in sales, 188 million in realized tax revenue and most importantly represent 11,000 jobs.

Consider for a moment that this loss had occurred at the same time as the full force of the recession hit. This is especially true, in these mostly rural communities where the loss of one family wage job often results in the entire family having to leave the community to find work,—the spouse quits their job and their children are withdrawn from school, lowering enrollment, causing even greater job loss.

We wish to thank Congress for the reauthorization which has resulted in so much positive economic benefit to our communities and schools. This century long contract has served its purpose well keeping these forest counties and schools vibrant and successful.

Title II of the Act is money specifically to be used for projects on and for the forest itself utilizing one of the greatest successes of this entire act—the resource advisory committees or as they are known RAC's. Others will speak at length to the RAC's. Suffice it to say that the RAC's are the most successful collaborative nationwide effort ever seen within the forest system.

Finally there is Title III which is money to be used by the county for specific purposes other than roads.

In the original act these purposes included emergency services on the forest, fire planning, community service work camps, easement purchases, forest related after school programs and planning efforts to reduce or mitigate the impact of development on adjacent Federal lands.

The 2008 reauthorization removed all categories except emergency services, as well as community wildfire planning and implementation.

In terms of search and rescue I will speak to some actual cases in my county to demonstrate how these incidents can become very expensive. Covering 88% of Skamania County is the Gifford Pinchot National Forest including the Mt St Helens National Monument. Added to that is the 80,000 acres of the Columbia Gorge Scenic Area. Search and rescue events are frequent. Our volunteer searchers are not reimbursed except for their mileage. Yet our average search costs are in the several thousand dollar range for those searches lasting just a few days and not requiring any aircraft. That being said, this year alone we have had two searches in the hundreds of thousands.

The first was a hiker who fell into the Mount St Helens crater. The total local, state and federal cost reached over $150,000 dollars. The other involved a two week search for a young woman which cost local, state and federal taxpayers $550,000. Sadly; both cases ended up being recovery's rather than rescues. Without Title III and assistance from both state and federal resources our counties could not afford these costs.

Finally, I want to tell you about a program in my county called Forest Youth Success which we funded from Title III under the 2000 Act and now fund through Title II. This program puts 40 high school age kids to work on crews in the forest on restoration projects during the summer. Recently WSU did a survey and study of the past participants of the program and found some very interesting initial data. Some of the reported outcomes:

- 100% said FYS increased their life skills such as team work and leadership.
- 97% said they learned important workplace skills such as punctuality and responsibility.
- 92% said they increased their use of financial resources.
- 69% said FYS influenced the shaping of their career choices.
- 47% said FYS shaped their college degree goals.

We believe this proves the value of connecting our kids to the forest that plays such a major role in their lives.

Thank you once again for the opportunity to speak about the success of the Secure Rural Schools and Communities Self Determination Act.

[NOTE: The attachment has been retained in the Committee's official files.]

Mr. GRIJALVA. Thank you, and the Ranking Member of the Full Committee, Mr. Hastings, has a statement, a comment, and since he yielded Commissioner Pearce two minutes, you have about 60 seconds left.

STATEMENT OF THE HONORABLE DOC HASTINGS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. HASTINGS. That does not quite add up. Thank you, Mr. Chairman, and thank you for the courtesy of allowing me to be here, and I think it is only fitting that I follow one of my constituents in his testimony.

More than a century ago, the Federal Government began setting aside large sections of land in what was the beginning of our National Forest System. Realizing that county tax bases would be affected by this action, Congress allowed these communities to share in revenue produced from the Federal forests as compensation.

This arrangement worked well for counties and the Federal Government for many years. However, in the early 1990s, timber

harvests in the Northwest began to suffer as a result of the Endangered Species Act lawsuits brought forward by groups opposed to Federal timber sales.

In an attempt to resolve this issue, the Clinton Administration brokered the Northwest Forest Plan in 1994. This plan called for setting aside 80 percent of the Federal forests in the Northwest, and allowed for some timber to continue to be harvested.

Even with the Northwest Forest Plan, environmental groups continued to file lawsuit after lawsuit to further limit Federal harvest levels. As the area to harvest shrank, so did the economy that surrounded it.

Countless mills closed, and thousands of hardworking men and women lost their jobs. Counties that are impacted by the national forest land were left with no compensation for their eroded tax base.

County Commissioner Pearce from Skamania County in my district is here, as I mentioned, and has testified that over 80 percent of the land in Skamania County is publicly owned, and only two percent of their land is taxed at full value.

With declining timber receipts, students would have been faced with severe reductions in school services, including losing dozens of teachers, shuttering school buildings, and cutbacks in classes and extracurricular offerings.

In 2000, Congress recognized that many counties were faced with serious declines in their timber receipts, and passed the Secure Rural Schools and Communities Self-Determination Act.

This law was a recognition by Congress of the commitment made by the Federal Government to these counties at the outset of the National Forest System. The Secure Rural Schools Act payments have made the difference for many counties that would otherwise not be able to provide essential services for their residents and quality education for their students.

The current authorization for this program expires at the end of Fiscal Year 2011, and as that day draws closer, we must determine how to address the future of these payments. And with that, Mr. Chairman, thank you again for your courtesy, and I want to thank Commissioner Pearce for being here.

Mr. GRIJALVA. Thank you, sir. Mr. Kildee, let me extend the courtesy. Do you have any comments?

Mr. KILDEE. Not at this time, Mr. Chairman. Thank you very much.

Mr. GRIJALVA. Thank you. Let me now turn to Ms. Groseclose, a Spanish teacher, Pocahontas County, introduced by the Chairman of the Full Committee. Welcome, and I look forward to your comments.

STATEMENT OF SHIRLENE GROSECLOSE, SPANISH TEACHER, POCAHONTAS COUNTY, MARLINTON, WEST VIRGINIA

Ms. GROSECLOSE. Chairman Grijalva, Ranking Member Bishop, and members of the Committee, friends and family, good morning, and buenos dias. I am here on behalf of this coalition to give you an insight into my life as a teacher in a small county in Pocahontas County in West Virginia, the most beautiful county in the world, which has 62 percent State or Federally owned land.

I reside there with my husband, Jesse, our pets, our cows; and I have the insight into what it would mean or what it means to have this money for our teachers and about 1,300 students that receive a consistent and more enriching education because of SRS.

One teaching position also equals about two personnel positions, and so I am also here to defend them and their job, because it is very important. It is very important that you also know that the educational system is the second largest employer in our county, which is a low socioeconomic area.

It is second only to the Snowshoe Ski Resort, and that is a seasonal employment. I teach at Marlinton Middle School and Green Bank Elementary-Middle School, and travel 45 minutes each day.

I teach Spanish exploratory to about 130 fifth and sixth grade students and Spanish for high school credit to 7th and 8th grade students.

Since students are required two credits in Spanish to graduate, a high school teacher, who is very overwhelmed already, can concentrate on teaching more high-level Spanish. Colleges expect students to have at least three credits to be competitive. I know this because students were asked, a former student of mine was asked, by an elite college why she had not taken three credits of a foreign language and, of course, she had to reply that at that moment she had taken French, and French had been eliminated, and she was not able to finish that credit.

Thank goodness for SRS. We are able to have the funding to at least have a Spanish program. That allows me to have a more flexible schedule so that I can service those students for 45 minutes each day, each class. We all know how important a foreign language is to our country.

Twenty percent of our revenues comes from Federal funding. We have about 312,000 acres of land, with no tax revenues and a decreased harvest. This will likely not change.

SRS directly allowed Green Bank's School to keep their technology integration specialist. We have in Green Bank the NRA, or the National Radio Astronomy Observatory. Therefore, we cannot use wireless, and our technology integration specialist is a woman who helps those students do all their research, and the school would be crippled without her.

It also allowed for two first, second, and third grades so that teachers can be more attentive to the needs of the little ones. Just as impactful, they were permitted to keep their music program at least 30 minutes each day for a class, and she also enriches the curriculum with guitar classes. That was threatened a few years ago.

They are also able to keep an aide known to my husband as Old Mean Aida, who reaches as many students today as she can and supplements their IEP, or individualized education plan, since we lost our special education teacher also a few years ago.

Again, SRS is the heart of our education. People come to our town in search of small time life, and what we have to offer is the peace of mind, the fresh air, the outdoor lifestyle.

But they also should have the expectation that we are giving their children a competitive education, and this should be met even

if we are a rural area. It is the only way that we will ever overcome this socioeconomic challenge.

SRS provides funds to the board of education so that they can pay for buses for community-based learning experience, such as an archeology dig for science class, and are able to bus my students to the airport to take them to Costa Rica. How exciting is that?

Global exposure and awareness is the key in our curriculum. Nine other positions that teach at least a thousand students are sustained by SRS. This means that 10 families as you have said are living, playing, and spending their tax dollars in our county.

The bottom line is SRS funding is responsible for almost all enrichment opportunities offered to our students, and it is enrichment that creates a competitive education for our kids.

Now, yes, core subjects are also important, and teachers who teach core subjects would also lose their jobs. People should be able to come to our county knowing that they are not giving up the type of lifestyle that they should be able to have, and that we are giving their children a competitive education.

I am not your typical West Virginian, but I love Pocahontas County, and I love sharing my knowledge and my culture with those students. There are students there that have such great potential that they may be one of you some day.

And we need to make sure that those students can get there by giving them the best of us. I believe in finding solutions and that is why I am here today. Thank you very much for your consideration.

[The prepared statement of Ms. Groseclose follows:]

Statement of Shirlene Groseclose, Spanish Teacher, Pocahontas County, Marlinton, West Virginia

Chairman Grijalva, Ranking member Bishop and members of the Committee, good Morning. My name is Shirlene E. Groseclose. I reside in Beautiful Pocahontas County, West Virginia, 62% of which is federally or state-owned land. I personally do not mind since this is what we wanted to live in, a peaceful rural setting where we can breathe fresh air and climb the rolling hills of the farm lands, fish the wooded creeks and hike the pristine trails. This is where we wish to raise our children someday. I live on a farm with my husband of ten years, our pets and our beef cattle. I've been asked here today to give you insight into my life as a teacher in my county, a county that depends of the forestry money to employ about 10 teaching positions and which would suffer immensely without that support. I can't say I am an expert on the matter. I am just a teacher who knows what half a million dollars means to me, my colleagues and our students. It means ten of us have a job and that a little over 1300 students can enjoy a more consistent and effective education. One teacher position salary is equivalent to two service personnel positions. They are also why I am here today. Our school system is the second largest employer in our county after Snowshoe Mountain Ski Resort.

I teach Spanish exploratory to 5th and 6th grade and Spanish for a high school credit to 7th and 8th grade at Marlinton Middle School and Green Bank Elementary Middle School. I travel 45 minutes between schools every day. I hold one of the most hectic schedules of any teacher in the county. I once taught up to ten different classes in a term and have been known to fill in and teach careers, keyboarding and anything else that is needed, thus sacrificing the length of time I teach my own classes. When I began my position, at one school I taught 8th grade Spanish for ½ an hour, at the students lunch time, which they didn't care for, and taught all these other fillers for 1 ½ hour periods. I explained to my principal how detrimental this schedule was to my students. It is already a great challenge to convince the students of why they need a foreign language and to change their stereotyping inclinations predominant in the county. After much hassle, he did everything within his power to ensure I taught what I should be teaching, Spanish. Why is this important, because it demonstrates how stretched out we already are and how SRS funding allows for

better scheduling. Having enough staff to cover other needs, I can enjoy a better schedule that allows for me to teach only Spanish for at least 45 minutes every day in both schools.

The high school Spanish teacher depends on me to send at least 30 students to the high school with one credit under their belt. This lowers the demand for Spanish 1 at the high school and allows her to focus more on levels 2 and up. She is still greatly overloaded in class size as she is the only foreign language teacher at the high school. French was cut from our program a few years back to lack of funds. Students are also being offered a minimum of Advanced Placement courses. These courses allow students to graduate with a college credit. We, of course, need AP Spanish but thank goodness for SRS so we are able to teach Spanish at all. We do not want our students at a disadvantage when competing for college and one student I personally know was asked by an elite college she desired to enter why she only taken two credits in foreign language. She answered that that is what she was able to take since the French program had been eliminated from her school. Without Spanish our students would be in a real hurt when applying for college.

The Technology Integration Specialist (TIS) system at Green Bank Elementary school is a vital part of the education program and without proper funding 280 students would be without it. Because of the close proximity of the National Radio and Astronomy Observatory to Green Bank Elementary the school cannot have wireless and other multimedia technologies. The hands-on TIS system allows students to have search aids in the computer labs and without funding the students would be at a large disadvantage.

The SRS dollars provided to Green Bank Elementary was extremely important in keeping many programs and staff that are vital to our children's education. While many schools are having to cut their music programs the dollars provided by Secure Rural Schools saved this program and the teacher who helps children in all grade levels. Small class sizes is another important aspect of providing a good education and the SRS dollars allowed us to keep two first, second and third grade teachers thus allowing our teachers to be more attentive to the students needs.

When people move to our town, they do so because they love the environment we offer and they believe they can raise their children here. They should also believe that we can offer them a complete education where their children can successfully compete in the world even if we are a low income county. It doesn't take making a lot of money to live here but it still takes a lot of funds to offer a complete education comparable to the rest of our nation. Our nation can overcome our challenges if we start with the children and educating them for the competitive world our nation is a part. The Secure Rural Schools dollars ensures part of this demand is met.

20% of our revenue for our schools comes from federal funding. 312,000 acres in Pocahontas County are Federal land. This means they provide no property tax revenue and the harvest has decreased substantially It is likely this scenario will never change. Our county also ranks 51 out of 55 in total expenditures and salaries and benefits for teachers are near the bottom compared to other counties in WV. The Secure Rural Schools dollars is vital and part of great contract first established in 1908 that helps our county and educational system give more to its people.

Secure Rural schools dollars supports my teaching about 75 students level 1 Spanish and approximately 130 5th and 6th grade exploratory Spanish () throughout the school year. Teaching exploratory better prepares the students for success in Spanish 1 as they are more confident in their abilities and more willing to learn the younger they are reached.

SRS funding also allows the schools to offer a few educational community based learning experiences to our students. The Board of Education can provide transportation for these events. Events, such as the archeology dig in Science class, take the students to a real dig site in which they enjoy a hands-on experience. I am also excited that the BOE can provide transportation to the airport and back so I can take my students on an immersion trip to Costa Rica. This trip is very meaningful to the students and helps integrate global awareness into our curriculum.

Nine other teaching positions reach approximately 1000 students in the county across all disciplines. Most teachers at middle school level teach 7 classes daily in which there are 20–30 students on average. Elementary teachers have classes of 20 to 28 students and high school teachers on block schedule teach 30 plus students per 3 blocks. Our music teacher at Marlinton Middle school is stretched between two schools as well but he was able to begin a choir class which boasts about 50 members and has been an absolute hit with the students, staff and parents. Ten positions in our county also allows for ten families who live, own land or housing, work and play here and thus bring their income into our county.

Personnel are coveted members of our staff. Green Bank School is able to have 4 aids positions, one of which works directly with a mentally handicapped student

giving him the hands-on help he needs. Another wonderful aid divides her time in the elementary wing. She sees and personally intervenes or supplements the instruction of at least 30 students daily while still helping the overall flow of the classes. She helps teachers create flashcards or resources they would normally not have time to create. She is a great help since Green Bank lost their half time Special Education teacher and struggles to meet all the Individualized Education Plans of some students. While this may sound a little grim, I can assure you that Secure Rural School's dollars are at the heart of keeping our education to students consistent.

My husband was raised on this land. He loves it and I love it here. We have created a home. We own land and cattle and we farm. So, yes, Secure Rural Schools funding is very important to me personally but more importantly, it really matters to the great young minds that call Pocahontas County home.

Mr. GRIJALVA. Thank you. I appreciate it. Mr. Scott Stouder, Idaho Public Lands Director, Trout Unlimited. Welcome, sir, and I look forward to your comments.

STATEMENT OF SCOTT STOUDER, IDAHO PUBLIC LANDS DIRECTOR, TROUT UNLIMITED, POLLOCK, IDAHO

Mr. STOUDER. Thank you. Mr. Chairman, and members of the Committee. My name is Scott Stouder. I live in Pollock, Idaho. I am Trout Unlimited's Public Lands Director in that State.

I appreciate the chance to talk with you today about my six years of service in the Idaho Southwest Resource Advisory Committee. Trout Unlimited believes that Title II of the Secure Rural Schools Act is an effective conservation and community-building program.

We strongly support reauthorization. To increase the Act's public benefits, we offer two recommendations. One, allocate at least 15 percent of Secure Rural Schools funds in Title II projects. This allocation would roughly double the current level of Title II funding.

Two, dedicate at least half of the Title II funding allocation, 7-1/2 percent of the Act's total, to watershed protection and restoration projects to improve watershed health for fish and wildlife habitat.

Trout Unlimited makes these recommendations based on long experience in restoring streams in rural communities, and working with ranchers in the West, farmers in the Midwest, and mining communities in the East.

My Southwest Idaho RAC encompasses seven counties, and has averaged approximately $1 million per year in Title II funding to invest in collaborative projects, maintaining public lands, and restoring watershed health.

Over the years, I have reviewed hundreds of projects. I feel like every one of those projects has value. I would like to share a story of one of them with you. Several years ago a dedicated and enthusiastic school principal from Council, Idaho, figured out how to raise the money——

Mr. GRIJALVA. Sir, if I could ask you for the recording purposes and hearing purposes to pull the microphone a little closer to you.

Mr. STOUDER. I am sorry. Is that better?

Mr. GRIJALVA. Yes, thank you.

Mr. STOUDER. OK. So I would like to share a story of one of these projects with you. Several years ago a dedicated and enthusiastic school principal from Council, Idaho, figured out how to raise

money for a biofuels plan, basically a woodchip burning facility that directly heats and cools the Council's school buildings.

For five years now, it is saving the district about $40,000 a year in energy costs, and the district is paying off their local bonds with those savings. This is a good story, but it gets even better with the involvement of the RAC.

Title II funding expanded this biofuels effort, and brought the National Forest and the community together in accomplishing a lot more than just simply saving electrical bills.

The local high school had been raising native plants in a small school greenhouse for the Payette National Forest Restoration Projects. Students and teachers love the hands-on nature of the project, and build a really robust curriculum around the whole effort.

But the program was constrained by a small and inefficient greenhouse. So they put their heads together and asked, why don't we build a bigger and more efficient greenhouse and use this new biofuels plant to heat and cool it?

We listened to the enthusiasm that teachers, parents, students, and local Forest Service folks had, who explained how this effort would not only give the Ranger District a valuable source of native plants for restoration work, but also instill an enthusiasm in the students for forestry and ecology, even gaining college credits in natural resource programs at Idaho State colleges.

Over the past three years, and in two phases, our RAC has funded about $150,000 worth of state-of-the-art improvements in the greenhouse to make it run efficiently off the biofuels facility.

This year, high school students and Forest Service personnel have had their first successful restoration planning of over 2,000 plants from the greenhouse. We are really looking forward to this project as it benefits both the Forest Service and the local economy for years to come.

This is the same kind of collaboration that my friend and coworker, Matt Woodard, from Idaho Falls, has fostered in his almost 10 years of work to restore the South Fork of the Snake River.

The South Fork is one of the jewels of the greater Yellowstone system, and in this intensive restoration project, Trout Unlimited has been partnering with the Southeast Idaho RAC.

Matt's RAC has held funds for four major stream restoration projects over the years, contributing a total of $62,000. Other funding on these projects all match the RAC funding several times over.

This collaborative work has helped to keep Yellowstone Cutthroat off the Endangered Species list, and has restored fish populations throughout the South Fork. This is an example of the RACs investing in watershed health in their community, with the support of local landowners and sportsmen.

These projects help illustrate how the value of public lands for recreation, and wildlife habitat, and clean water, are associated with economic growth and well-being. Local government services help public land counties attract and retain businesses and families who choose to live near public lands.

Secure Rural Schools reauthorization, with the recommendations that I have outlined, has the opportunity to build support for the conservation and restoration activities on public lands, and con-

tribute to local governments' abilities to leverage these values into a community's sustainability.

In today's world the bulk of the economic value of public land lies in its ability to attract people who want to live and work near these lands. To summarize, Trout Unlimited strongly supports the Secure Rural Schools Act, and urges Congress to reauthorize these programs.

And Trout Unlimited respectfully recommends that the Committee consider our recommendations that are detailed in my written testimony. So, thanks again to all you folks for the opportunity to testify. Thank you.

[The prepared statement of Mr. Stouder follows:]

Statement of Scott Stouder, Idaho Public Lands Director, Trout Unlimited

Dear Chairman and Members of the Committee:

My name is Scott Stouder. I live in Pollock, Idaho. I'm Trout Unlimited's (TU's) public lands director in that state. I appreciate the chance to talk with you today about serving on one of Idaho's Resource Advisory Committees, or RACs. I've served on the Southwest Idaho RAC for the past six years, and in that time I've discussed and considered hundreds of project proposals.

My brief testimony today will demonstrate why TU affirms that Title II of the Secure Rural Schools and Community Self-Determination Act ("SRSCA") is an effective program for conducting substantial resource conservation projects in a cooperative manner with excellent stakeholder and community buy-in. Because of its great record of success, we strongly support reauthorization of the program and urge Congress and the Administration to work together to ensure a smooth and seamless future for it. To increase the Act's public benefits, we offer two recommendations for a reauthorized program:

- Allocate at least 15% of SRSCA funds to Title II projects. Though it would not apply to Counties that receive less than $100,000 per year, this allocation would roughly double the current level of Title II funding.
- Dedicate at least half of the Title II funding allocation (7.5% of the SRSCA total) to watershed protection and restoration projects that will improve watershed health and fish and wildlife habitat.

I. Trout Unlimited and RAC's

Under Title II of the SRSCA, the Secretaries of Agriculture and Interior—who are responsible for National Forest and BLM lands, respectively—are authorized to establish Resource Advisory Committees (RACs). The RACs are charged with proposing Title II projects. Each RAC must consist of fifteen stakeholders, broadly representing conservation, community and commodity interests. The applicable Secretary has the discretion to approve of RAC projects. Such projects must further the purposes of the SRSCA, including fostering investment in roads and other infrastructure, soil productivity, ecosystem health, watershed restoration and maintenance, control of noxious weeds, and reestablishment of native species. RACs typically have authority over some subset of a state's territory. For instance, there are six RACs for the State of Idaho: Central Idaho, Eastern Idaho, the Idaho Panhandle, North Central Idaho, South Central Idaho, and Southwest Idaho.

TU works to restore streams and rivers, because anglers and sportsmen care about healthy rivers and great places to take their kids fishing. This means that TU works in rural communities across the country: with ranchers in the West, farmers in the Midwest, and in rural mining communities in the East. TU cleans up mining pollution, works with farmers and ranchers to improve riparian habitat and restore stream channels, and works with western irrigators to improve water management and restore streamflows. TU also works with sportsmen who care about protecting great hunting and fishing places on public lands. That's mostly what I do.

The RACs that the SRSCA started back in 2000 are a natural fit with TU's work because of our partnership approach, and our focus on restoring watersheds. The funding that comes through the RACs has contributed to these watershed efforts.

From FY 2001 to FY 2009, Title II of the SRSCA has directed $308 million to the RACs. That's only 8.3% of the total SRSCA funding, but it has made a difference. One hundred and eight (108) RACs have been authorized through the SRSCA; 55 were initially organized, and 53 more have been added since.

I'm going to tell you about what my RAC has done, and also mention how the South East Idaho RAC helped restore the South Fork of the Snake River—the great work that my Idaho co-worker Matt Woodard has done in partnership with his local RAC.

II. My Story

My SW Idaho RAC encompasses seven counties: Adams, Boise, Elmore, Gem, Idaho, Valley and Washington. Our Title II funding has averaged approximately one million dollars per year, investing in collaborative projects that contribute to maintaining public lands and restoring watershed health. That money has been instrumental in helping these local governments meet such basic needs on public lands within their borders such as access infrastructure maintenance, educational and outreach needs and other services provided by county government on our public lands. In these large, rural counties, where land ownership is predominately Forest Service, that's a critical source of funding. From TU's perspective, the Secure Rural Schools program provides important funding for watershed restoration projects stretching the spectrum from culvert replacements to road improvement and decommissioning.

One of the project criteria that our RAC places high emphasis on is matching funds. This effort not only multiplies the fiscal power of the federal funding in each project, but invests other groups, agencies and landowners into the projects and the entire program. This "community and collaborative building" part of the program is an important factor. Indeed, it could be the most important factor. Not only is this "collaborative" effort spelled out in the Act itself, but, in my opinion, it's the glue that brings everything together and enables the program to be more than just another source of federal funding.

A great example of the RACs' emphasis on collaboration, in my mind, is a project that our RAC participated in with the Council, ID (Adams County) school district a few years ago. Murray Dalgleish, the Council school principal and school district superintendent came to us with a proposal to help expand the bio-fuels heating and cooling of his school, which he had developed, constructed and funded through various sources, including passing a local bond.

Council, ID, like many small, rural communities, has high unemployment, low per-capita income and is surrounded by National Forests. Like many other communities its history is timber, but its lumber mills have come and gone and its basic economy now is small farms and ranches, some special-niche logging, and what jobs the Forest Service and local government offers. So money is tight and passing a local bond to fund a new—and basically untested—heating and cooling system for the school, as you could imagine, was not an easy task. The bio-fuels plant is basically a wood-chip burning facility in a small concrete building located on the school property that directly heats and cools the Council school buildings. The system has been up and running for five years now. It is saving the district about $40,000 a year in energy costs, and the district is paying off their bond with those savings.

The Council school district's bio-fuels plant is a wonderful success story in itself, but I want to tell you the story of how the Secure Rural Schools program helped expand that effort to help bring their national forests and the community closer together, while doing much more than just saving on electric bills.

The Council high school had been involved with the Council Ranger District on the Payette National Forest for some years, raising native plants in a small greenhouse on the school property. Those native plants were then used in restoration projects on national forests in the District. The school had built up a robust curriculum around this effort with many students involved in raising the plants and going out on the National Forest and helping plant and work on local restoration projects. However, the program was constricted by budget and space for raising plants. The greenhouse was small, inefficient, and very expensive to operate. Murray, his students and staff, and District Forest Service personnel put their heads together and said: "Why don't we build a new, bigger and more efficient greenhouse, and use the new bio-fuels plant to heat and cool it?"

So, about three years ago they came to us—the SW RAC—with a $94,000 proposal to help construct a new greenhouse. We listened to the enthusiasm of parents, teaching staff and students, as well as local Forest Service folks, who explained how this effort not only would give the District a valuable source of native plants for restoration work, but it was instilling an enthusiasm in students for furthering their education in forestry and natural resources—even to the extent of gaining college credits in natural resource programs at two of Idaho's state colleges. Our RAC decided to fund the proposal and the greenhouse was built. Last year, as the greenhouse was being completed, Murray came back to us, with a $55,000 funding request to vastly improve the circulatory and computerized environmental control

characteristics within the greenhouse. We funded that project as well. This year, the Council school district, working with local Forest Service personnel, have had their first successful planting of over 2000 plants from the greenhouse. We're looking toward watching this project bear fruit to both the National Forest and the local community for years to come.

Although our committee has funded hundreds of beneficial projects in the SW Idaho RAC's region over the years that I've served, this project stands out to me as an example of how well the Secure Rural Schools program and local RACs can work to bring local communities together with their federal land agencies to help the public lands that we all enjoy and cherish.

III. RAC's and Investment in Healthy Landscapes

This is the same kind of collaboration that my friend and co-worker, Matt Woodard, has fostered in his almost ten years of work to restore the South Fork of the Snake River. The South Fork is an iconic western river that is one of the jewels of the entire Greater Yellowstone area. In this intensive restoration project, he has partnered with the South East Idaho RAC to produce significant conservation benefits.

The South Fork of the Snake River Restoration Project began in 2001 with the goal of reversing the decline of the native Yellowstone cutthroat trout fishery. The project has three basic components: habitat restoration; dam operation improvements; and angler engagement, with the goal of encouraging anglers to "catch and keep" non-native rainbow trout. TU has successfully reconnected four major Yellowstone cutthroat spawning tributaries to the mainstem, and works with private landowners in the area to improve fish passage and habitat around irrigation diversions. TU also works with the Bureau of Reclamation to regulate flows from Palisades Dam so they support the imperiled native fish.

The South East Idaho RAC helped fund the four major stream restoration projects, over the years contributing $62,000. These projects all matched the RAC funding several times over. For example, the restoration and reconnection of Garden Creek to the South Fork of the Snake River was an over $300,000-dollar project that matched the RAC's $17,000 contribution with private donations, landowner contributions, state restoration dollars, and other federal sources.

This collaborative work has helped to keep Yellowstone cutthroat trout off the endangered species list, and has restored fish populations throughout the South Fork, creating a healthier, more robust river. It's an example of the RAC's investing in watershed health in their community, with the support of local landowners and sportsmen. It's keeping dollars in the rural areas while producing wide-spread public benefit.

IV. Public Benefit of Title II Funding Carried out Through RACs

The Secure Rural Schools Act insulates county budgets from the boom-and-bust cycle of timber harvest and mining operations on federal lands. Not only is this good for rural school systems and county road budgets, the 8% of the Act's funding that goes through the RACs helps protect the values on federal lands in a way that benefits local communities.

A. The Values of Public Land Contributes to Sustainable Economies

It's a given that the values of public lands—for recreation, wildlife habitat, and clean water—are associated with economic growth and well-being. Quality local government services help public-land counties attract and retain businesses and families who choose to live near public lands. SRSCA reauthorization with the recommendations I've outlined has the opportunity to build support for conservation and restoration activities on public lands, and contribute to local government's ability to leverage these values into community sustainability.

This is because in today's economy, the bulk of the economic value of public lands lies in its ability to attract people—and their businesses—who want to live near protected lands for quality of life reasons. For example, research by the U.S. Department of Agriculture, Headwaters Economics, and others, has shown that 93% of employment in the 11 western states, comes from sources *other than* public lands' timber harvesting, mining or energy development. Similarly, a detailed economic analysis of the Clearwater Stewardship Project on the Seeley Lake District of Lolo National Forest in Montana (2003–2004, over a project area of 6800 acres) showed that the portion of the contract invested in restoration and monitoring accounted for 10% of the economic activity generated from the contract, and diversified the economic sectors that benefited from the contract. Surveys of business owners have consistently identified quality of life, including environmental amenities provided by public lands, as a key factor determining where entrepreneurs choose to locate.

Amenities are also well-known to be a key factor in the attraction of retirement wealth.

A good example is the mostly rural Greater Yellowstone Area, with 18 million acres of public lands in Idaho, Montana and Wyoming. When compared to fast-growing areas of the West, such as the Silicon Valley, the Puget Sound area, and the Front Range of Colorado, the Greater Yellowstone has outperformed them in the last three decades in terms of growth of jobs, and real personal income, wages, and per capita income. Why has this area done so well despite being rural and isolated? Because the wildland amenities of Greater Yellowstone are an asset that attracts talented people. Stories such as these are repeating themselves as the West transitions into a much more diverse, and resilient economy. Healthy, naturally functioning public lands with abundant fishing, hunting and outdoor recreation play a key role in that transition.

B. Recommendations for the Future

To summarize, TU strongly supports the SRSCA and urges Congress to reauthorize its programs. Title II funding, and the RACs which develop the Title II projects, have been extremely valuable for improving watershed health in communities around the Nation. Recognizing this link between creating resilient, sustainable rural economies and investing in healthy federal lands, TU respectfully recommends that the Committee consider the following:

- Allocate at least 15% of SRSCA funds to Title II projects. Though it would not apply to Counties that receive less than $100,000 per year, this allocation would roughly double the current level of Title II funding.
- Dedicate at least half of Title II funding (7.5% of the SRSCA total) to watershed protection and restoration projects that will improve watershed health and fish and wildlife habitat.

Healthy watersheds on federal lands provide not only high quality habitat for fish and wildlife, but also a suite of ecosystem services, such as clean drinking water and delivery of water for downstream users, that benefit nearby communities. TU sees the provision of ecosystem services from counties' federal lands as an opportunity to provide a compelling rationale for sustainable funding for county payments, while also contributing to protecting and restoring the health of our large, public landscapes.

Thank you for the opportunity to testify today.

Mr. GRIJALVA. Thank you, sir. Mr. Allan Thayer, President of Dolores RE-4A Board of Control, Dolores, Colorado. Welcome, sir, and I look forward to your comments.

STATEMENT OF ALLAN THAYER, PRESIDENT, DOLORES RE-4A BOARD OF CONTROL, DOLORES, COLORADO

Mr. THAYER. Thank you. Chairman Grijalva, and Ranking Member Bishop, and members of the Committee, good morning, Allan Thayer at your service. I am an elected school board member, and business owner, and coach, and father of a sophomore daughter.

My son graduated from the University of Colorado at Boulder last year, pre-med. I live in Montezuma County, in southwest Colorado. It is an arid region, half high desert and half mountains. It is home to the Mesa Verde National Park, Canyon of the Ancients, and Four Corners National Monument.

There are 2,084 square miles in the county, an area a little larger than Delaware. Six hundred seventy-six square miles are the Ute Mountain Ute Tribe reservation. Three hundred eighty-seven square miles are National Forests. Two hundred eight square miles are Bureau of Land Management.

The county is roughly 70 percent Federal land, and 30 percent private. There are approximately 27,000 people here, and three school districts. My school district, Dolores RE-4A, has 710 students.

Last year the Dolores RE-4A School District received $37,598 in Secure Rural School funds. We used this money for another elementary teacher. This allowed us to keep our class size small, about 18 to 22 students.

Our elementary school focuses on reading and math, and with this money over the last couple of years, we are continually bringing up test scores in these areas. Even with our school population at 55 percent below poverty level, we are a high-achieving district within our State.

The Mancos School District, the smallest in the county with about 400 students, received $20,271. Their superintendent said that in these hard economic times, the Secure Rural School funds have allowed us not to have to cut a teaching position.

The Cortez School District, our largest, with an enrollment of approximately 2,900 students, received $155,514. The Cortez Chief Financial Officer wrote that our average teacher costs is about $48,100. Our 2009 and 2010 payment from Secure Rural Schools paid for a little over three teachers.

This money has been essential with our declining enrollment, need to change, and the economic climate that has reduced our State funding. A few years ago the Acting Superintendent of Mesa Verde National Park, William Nelligan, and his family, moved to Dolores from New Jersey. He has three school-aged children, and he and his wife were worried about coming to a small rural area as their children had attended a private school in New Jersey. They checked out Dolores and couldn't believe the quality of our staff, administration, curriculum, and our community involvement. Two years ago, we passed a Mill Levy Override.

Mr. Nelligan said that my fifth grade son was welcomed personally by the principal, and then he was assessed by the counselor and his teacher, and they challenged him to the high end of his learning level. He was allowed to slide nowhere.

My freshman daughter was excited that you had an FFA program, and it is quality from top to bottom. Your graduation rate and college placement of seniors is unheard of.

The Dolores RE-4A School District graduates on average 95 percent of our incoming freshman. In May's graduation, we sent over 40 of our seniors—we had 54 seniors—to higher education.

We are an economically depressed area. Dolores RE-4A ranks in the bottom 15 percent in our State. We need and are very appreciative of these Secure Rural School dollars to maintain our high standards.

Colorado limits school district revenue to property taxes in a State equalization formula that even the Colorado Department of Education does not understand. Every dollar outside of our property taxes is very important. 163 people in Dolores work for taxing districts, the school or the Federal Government.

The other half work for taxpaying employers, the largest of which is the Aspen Wildwood Lumber Yard with 16 employees. I stated earlier that 70 percent of Montezuma County does not pay property taxes. Our income is farming, tourism, mom and pop sawmills, and very little mining.

Our small businesses, grocery stores, gas stations, and restaurants, hotels, these places generate our tax dollars. Secure

Rural Schools funding shows the United States Government understands the 41 States and Puerto Rico that receive these dollars need them to maintain the level of excellence in education that America demands.

Montezuma County Commissioners have partnered with our school districts and give us the maximum amount of money at their disposal, which is 75 percent of the SRS money. The other 25 percent goes to roads.

I believe America's future quality of life depends on the education that we give our kids today. Thanks for the opportunity to testify, and please protect this funding source for our schools.

[The prepared statement of Mr. Thayer follows:]

Statement of Allan Thayer, President,
Dolores RE–4A Board of Control, Dolores, Colorado

Chairman Grijalva Ranking member Bishop and members of the committee, good morning. Allan Thayer at your service. I'm an elected School Board member, business owner, coach, and father of a sophomore daughter. My son graduated from University of Colorado Boulder last year pre-med.

I live in Montezuma County in southwest Colorado. It's an arid region half high desert and half mountains. It is home to Mesa Verde National Park, Canyon of the Ancients, and Four Corners National Monument. There are 2,084 square miles in the county, an area a little larger than Delaware. Six hundred seventy six square miles are Ute Mountain Ute tribe reservation. Three hundred eighty seven square miles are National Forest. Two hundred eight square miles are B.L.M. The county is roughly 70% federal land and 30% private land. There are approximately 27,000 people here and 3 school districts. My school district, Dolores RE–4A, has 710 students.

Last year, the Dolores RE–4A School District received $37,598.00 in Secure Rural School Funds. We used this money for another elementary teacher. This allowed us to keep our class size small, 18–22 students. Our Elementary focus is on reading and math, and with this money we are continually bringing up these test scores. Even with our school population at 55% below poverty level, we are a high achieving district within our state.

Mancos School District, the smallest, with about 400 students received $20,271.00. Their superintendent said, "In these hard economic times the Secure Rural School Funds have allowed us not to have to cut a teaching position".

Cortez RE–1 School District, our largest, with an enrollment of approximately 2,900 students received $155,514.00 (in 08–09 they received $181,523.00). The Cortez Chief Financial Officer wrote: "Our average teacher cost is $37,400.00 salary, $10,700.00 in benefits for a total of $48,100.00. Our 2009–2010 payment paid for a little over 3 teachers. This money has been essential with our declining enrollment, need to change, and the economic climate that has reduced our state funding".

Two years ago the acting Superintendent of Mesa Verde National Park, William Nelligan and his family moved to Dolores from New Jersey. He has 3 school age children. He and his wife were worried about coming to a small rural area, as their children attended a private school in New Jersey. They checked out Dolores and couldn't believe the quality of our staff, administration, and curriculum. Mr. Nelligan said "My 5th grade son was welcomed personally by the Principal. Then he was assessed by the counselor and his teacher, and then they challenged him to the high end of his learning level, he was allowed to slide nowhere. My freshman daughter was excited that you had an F.F.A. program, and it is quality from top to bottom. Your graduation rate, and college placement of seniors is unheard of."

Dolores Re-4A School District graduate on average 95% of our incoming freshman. In May's graduation, we sent over 40 out of 54 seniors to higher education

We are an economically depressed area—Dolores RE–4A ranks in the bottom 15% in our state. We need and are very appreciative of these Secure Rural school dollars to maintain our high standards. Colorado limits school district revenue to property taxes and a state equalization formula that even the Colorado Department of Education doesn't understand. Every dollar outside of property taxes is very important. One hundred sixty three people in Dolores work for taxing districts (the school or the federal government). The other half work for the tax-paying employers, the largest of which is Aspen Wall Wood, a lumber yard, with 16 employees.

As stated earlier, 70% of Montezuma County does not pay property taxes. Our income is farming, tourism, and very little mining. Our small businesses, grocery stores, gas stations, restaurants, hotels, these places generate our tax dollars.

Secure Rural Schools Funding shows the U.S. government understands the 41 states and Puerto Rico that receive these dollars need them to maintain their level of excellence in education that America demands! Montezuma County Commissioners have partnered with their school districts and give them the maximum amount of this money at their disposal. I believe America's future quality of life depends on the education we give our kids today.

Thank you for the opportunity to speak and please protect this funding source for our schools.

Mr. GRIJALVA. Thank you, sir. Mr. Elias Coriz, Chairman, Rio Arriba County Commission, Española, New Mexico. Welcome, Commissioner. I look forward to your comments.

STATEMENT OF ELIAS CORIZ, CHAIRMAN, RIO ARRIBA COUNTY COMMISSION, ESPAÑOLA, NEW MEXICO

Mr. CORIZ. Thank you, Mr. Chairman, and members of the Committee, and Ranking Member Bishop, I would like to take the opportunity to provide a grassroots local perspective in regard to very special legislation. I would also like to recognize The Honorable Congressman from New Mexico, Ben Ray Luján, Junior, for all the support and commitments that he has to New Mexico.

A brief history: 22 out of 33 New Mexico counties receive Secure Rural Schools and Communities Self-Determination funding. The Rio Arriba County Commission, for the past 7-1/2 years that I have served, has taken steps to implement numerous projects compatible with the Secure Rural Schools, in addition to spending county general fund dollars in pursuing similar goals.

Rio Arriba County is larger than three of our smallest States. We have over 5,100 square miles of land within our county. Seventy percent is in the public domain. We have nearly 900 miles of county roads in our inventory, and over half of that mileage provides access to our national forests.

We have had agreements in place for decades to assist the Forest Service and Bureau of Land Management to maintain not only county roads, but county roads that also access our Forest Service.

This is where 85 percent of these SRS monies go. New Mexico law requires that Title I monies go into road budgets, a restricted fund. Prior to 2008, the county received less than $200,000 per year for our road fund, and $60,000 for Title II and Title III.

The increase in monies that came with the adjustable and more equitable 2008 funding formula has resulted in upgrades of road construction. The county has been able to pave some of its primary roads to some of its Secure Rural communities, and roads that also lead to our forest lands.

An example of the use of Forest Service lands in New Mexico, the Rainbow Family had their reunion in 2007 on the Carson National Forest and on the Santa Fe National Forest in 2009, and nearly 10,000 family members attended this reunion, and placed an extraordinary demand on county law enforcement and emergency services, road maintenance, hospital clinics, and other local services.

Repairing the ecological damage at the end of a month of camping by the equivalent of a medium-sized city population involved

many volunteers, county and State staff, to clean and repair very large areas.

Rio Arriba County is diligent in the protection of its natural resources in our rural communities through the forest resources, for these were connected to our grant lands.

The advocacy for the Treaty of Guadalupe Hidalgo is a duty imposed on New Mexico County Commissions and State officials in our State Constitution. We have engaged our communities in developing the vision and the goals embodied in the comprehensive plan.

The comprehensive plan tracks closely with those initially adopted and today are a part of SRS. The association currently has memorandums of understanding with the BLM and the Forest Service, and has a Federal employee liaison working full-time to implement public plan initiatives, such as watershed protection, wildland fire planning and mitigation, forest restoration, and Federal programs, all of which are under the Title II and Title III SRSCA.

Because of the history of lost land grants and most recently the loss of multiple use of forest plans reduced to such laws as the Endangered Species Act, the people of Rio Arriba County at times have a strained relationship with the Forest Service.

It is sometimes difficult to get the county residents to trust and engage in activities with these Federal agencies. Our county government tries hard to fulfill our commitments and responsibilities to all our residents under existing Federal and State laws.

Hundreds of Acts, legal cases, and regulations, have been promulgated in the Organic Act of 1897. If you look at the statistics, those counties who have the largest tracts of national forests ranked among the poorest, and most unemployed, and have the poorest access to health care, and too numerous other challenges.

Let us continue to join our efforts to keep forest-dependent communities sustainable in their culture, their economic and social viability, for this will be the best way of conserving and benefiting from the boundary and beauty of our national forests. Thank you, Mr. Chairman, and members of the Committee.

[The prepared statement of Mr. Coriz follows:]

Statement of Elias Coriz, Immediate Past Board Member and Treasurer, New Mexico Association of Counties; Member, Rio Arriba County Board of Commissioners, Former Member, Española Valley Schools Board of Education, on behalf of the New Mexico Association of Counties and Rio Arriba County

First, let me thank the Honorable Chairman of this Committee, Congressman Grijalva and all the other Members of the committee for the opportunity to provide a local perspective in regard to this very important legislation. I would also like to acknowledge, and thank, our own Congressman Ben Ray Luján, Jr., a member of this Committee, for all the support that he provides for his constituents in Northern New Mexico.

22 of 33 New Mexico counties receive some Secure Rural Schools and Community Self Determination Act (SRSCA) funding. For over a century counties have helped the federal government meet the commitments embodied in the philosophy, mission, and goals of the Forest Reserve Organic Administration Act of 1897.

The Rio Arriba County Commission has for the past seven and a half years that I have served, taken steps to implement numerous projects compatible with SRSCA in addition to, spending county general fund dollars pursuing similar goals. Rio Arriba County is larger than the three of our smallest states; we have over five-thousand-eight hundred square miles of land within the county, 70% of which is in the public domain. We have nearly nine hundred miles of county roads in our inven-

tory and over half that mileage provide access to National Forest Lands or are within Forest Boundaries. We have had agreements in place for decades to assist the Forest Service and Bureau of Land Management maintains not only on county roads but some of their roads as well, this is where 85% of the SRSCA money goes. New Mexico law requires that the Title I monies go into the road budget, a restricted fund.

Prior to 2008 the County received less than two-hundred thousand dollars per year for our road fund, and sixty thousand for Titles II and III. The increase in road monies that came with the adjusted, and more equitable, 2008 funding formula has resulted in upgraded road construction. The county has been able to pave some of the primary roads that serve rural communities, roads that also serve the forest lands.

As an example of the use of Forest Service lands in Rio Arriba County, the Rainbow Family had their reunion in 2007 on the Carson National Forest and on the Santa Fe National Forest in 2009. Nearly ten thousand family members attended these reunions and placed extraordinary demands on county law enforcement, emergency medical services, road maintenance, hospitals clinics and other local services. Repairing the ecological damage at the end of a month of forest camping by the equivalent of a medium size city population involved many volunteers and county and Forest Service staff to clean and repair a very large area. All this happened through cooperation between three counties (Rio Arriba, Taos and Sandoval) and the Forest Service.

We have been working closely with our rural forest dependent Indio-Hispano villagers and our Tribal communities to implement removal of invasive exotic vegetations and conserve water. Rio Arriba County is diligent in the protection of usufructory rights of our rural communities to forest resources where those were connected to grant lands. The advocacy for Treaty of Guadalupe Hidalgo is a duty imposed on New Mexico County Commissions and State Officials in our State Constitution and the treaty is inexorably tied to National Forest Lands. We have engaged our communities in developing the vision and goals embodied in our County Comprehensive Plan. The Comprehensive Plan tracks closely with those initially adopted in the Organic Act and today are part of SRSCA. In implementing our Comprehensive Plan we have adopted Ordinances to protect our very limited irrigated agricultural lands, worked with community water associations and traditional irrigators to maintain water quality and to protect future supply. We have moved to regulate Oil and Gas Development to protect private property owners and to protect our aquifers, and we have also adopted a "Best Practices" Timber Ordinance for harvesting timber on private lands, successfully defending the ordinance from a legal challenge. Many of the private lands that are now regulated in the ordinance are surrounded by National Forest. We have also funded the work of several youth groups including the youth conservation corp. on Forest Service Lands.

The New Mexico Association of Counties has had numerous discussions with member counties related to their relationship with the Forest Service. Most New Mexico counties are engaged in projects similar to those described for Rio Arriba County. The Association currently has Memorandums of Understanding with both the BLM and U.S. Forest Service and has had a federal employee liaison working full time with the Association and member counties to implement public lands initiatives such as watershed protection, wild land fire planning and mitigation, forest restoration and other federal programs all of which are allowed under titles II and III of SRSCA

Because of the history of the loss of Land Grants and more recently the loss of multiple use of forest lands due to such laws as the Endangered Species Act, the people of Rio Arriba County, at times, have had a strained relationship with the Forest Service. It is sometimes difficult to get the county residents to trust and engage in activities with the federal agencies.

Frances Swadesh, respected New Mexico historian in her treatise on the Tierra Amarilla Land Grant puts it this way:

> "When the Court of Private Land Claims was dissolved in 1904, the federal government had acquired control over more than fifty-two million acres of land in New Mexico. Many of these acres, opened for homestead entry, fell into the hands of powerful ranching and mining interests, while nearly nine million acres were set aside for national forests."

She goes on to say state that: "During the early territorial years, the villagers on their scattered land grants did not realize the magnitude of what was taking place: a wholesale violation of their property rights as guaranteed by the Treaty of Guadalupe Hidalgo."

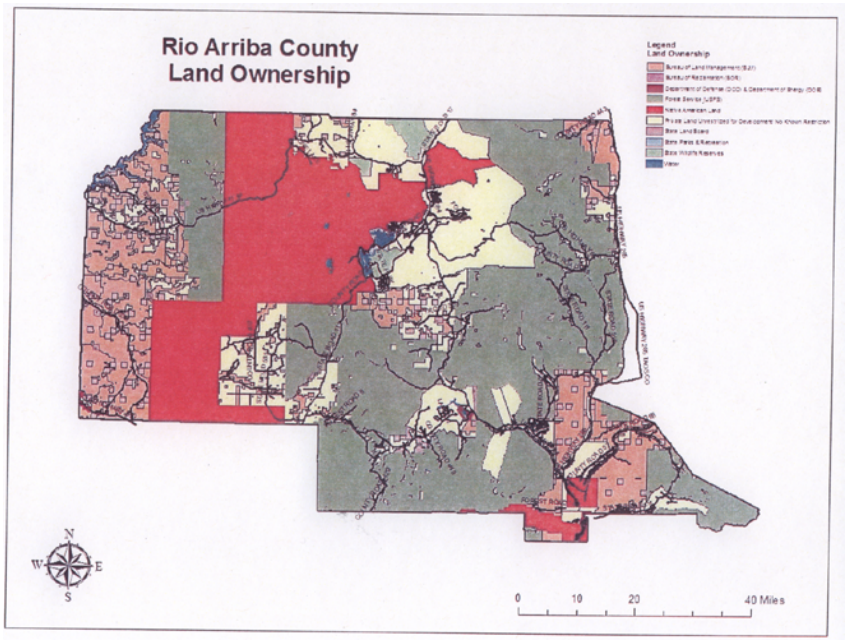
County governments try hard to fulfill our commitments and responsibilities to all our residents under existing federal and state laws, hundreds of Acts, legal cases

and regulations have been promulgated since the Organic Act of 1897. The inconsistent approach by the federal government puts states and counties at a real disadvantage to plan budgets and long-term projects. We most often do not know when the political ground will shift out from under us.

The New Mexico Association of Counties and Rio Arriba County endorse the recommendations forwarded by the Senate and the Congress in letters sent to President Barack Obama dated July 14 and 15, 2010 encouraging him to include a long-term extension of SRSCA in his 2012 budget. The letters are signed by over seventy Congressmen and thirty Senators. A review of the signatures accompanying the letters clearly indicate bi-partisan support for reauthorizing SRSCA. This was true in 2000 and again in 2008 when it was extended six and four years respectively with changes in funding and requirements.

The New Mexico Association of Counties and the County of Rio Arriba also support the National Forest Counties and Schools Coalition's Concept Paper titled "The Sustainable Forests and Secure Rural Schools and Counties Act of 2010." (Herein included as an exhibit for the record)

If you look at the statistics, those counties who have large tracts of National Forest Lands rank among the poorest, most unemployed, have the poorest access to health care and endure numerous other challenges. Let us continue to join our efforts to keep forest dependent communities sustainable in their cultural, economic and social vitality for this will be the best strategy for conserving and benefiting from the beauty and bounty of our National Forest Lands.



Exhibit

An NFCSC CONCEPT PAPER

The Sustainable Forests and Secure Rural Schools and Counties Act of 2010

Background

The Proposed Act combines the most favorable key elements of SRSCA 2000 and SRSCA 2008, protects transition states in 2011, benefits all receiving states/counties for 10 years, focuses Title II on wildfire risk mitigation and forest health, and recognizes and builds on the success of the Resource Advisory Committee process in achieving effective conflict resolution and project implementation.

Essential Design Elements of the Act

- Begins in 2011
- Lasts through 2021. (10 year life span)
- Guarantees payment for transition states (CA, OR, WA, TX, SD, PA, LA, and SC) at 85% of 100% of high tree year average of payments from 1986-2010, and guarantees payment to all other states at 100% of high three year average of payments from 1986-2010.
- Elections to accept share of receipts or guaranteed payments is binding for two years. E-elections to remain in the Act allowed every two years.
- Annual elections of 15% to 20% allocation between Titles II and III limited to 7% of guaranteed amount.
- Title II similar to SRSCA 2008, but expanded so that 75% of Title II projects must be for road maintenance/decommissioning, watershed restoration or implementation of Community Wildfire Protection Plans, or wildfire risk mitigation through Forest Restoration Thinning (FRT) and Forest Restoration Regeneration Harvesting (FRRH).

  i Defines "Forest Restoration Thinning (FRT) and "Forest Restoration Regeneration Harvesting" (FRRH)
  ii Requires BLM and US Forest Service nationally to confer with RACs to develop 10 year work plans that utilize Title II projects for FRT and FRRH, and if RACs have interest in such projects, to submit proposed projects to the RACs within 18 months of effective date of Act.
  iii Provides categorical exclusion under NEPA for any RAC-approved projects utilizing FRT or FRRH under the 10-year work plans (subject to annual limitations on size and location for projects using FRRH, and requires submission for ESA 7(a)(2) consultation).

- Title III similar to SRS 2008, but expanded to allow planning and implementation of projects under the Firewise Communities Program, reimbursing for federal lands emergency services, for Community Wildfire Protection Plan – planning and implementation , and to acquire, operate or improve public parks/campgrounds, and forest related interpretation-education facilities.
- Advocate for the SRSCA funding for schools to go directly to the rural schools instead of through the state education funding systems.

Adopted by the NFCSC Board – April 25, 2009

Mr. GRIJALVA. Thank you, Commissioner. Mr. Mike Jacobs, President, Arkansas Association of Counties. Welcome, sir.

STATEMENT OF MIKE JACOBS, PRESIDENT, ARKANSAS ASSOCIATION OF COUNTIES, CLARKSVILLE, ARKANSAS

Mr. JACOBS. Thank you, Mr. Chairman. Good morning. My name is Mike Jacobs, and I am a County Judge in Johnson County, Arkansas. I appreciate the honor and the privilege to be here today regarding the Secure Rural Schools and Communities Self-

Determination Act, a partnership between the Federal and local government that, in my opinion, is vital to the betterment of rural schools and roads in and about our national forests.

Specifically, allow me to address my experience with the United States Forest Service in Johnson County. When I took office in 1991, Johnson County contained some 1,030 miles of roads, about 250 miles of which was located in the National Forest in our county.

Our county road and bridge budget at that time was about $760,000 for the entire county. Today, our budget is $2.9 million. The United States Forest Service in 1991 had a decent budget for the maintenance and the operation of the roads throughout the National Forest.

The budget provided for the routine maintenance necessary to keep the gravel roads in good shape. Johnson County, of course, assisted the Forest Service in the maintenance of these roads on an as-needed basis.

The partnership between the county and the Forest Service worked well for as long as our local Forest Service was provided with the funding to take care of the roads in the national forest.

It was not long after I became a County Judge, however, that the funding to our local forest district began to decrease. Fast forward to 2010, and our local office of the Forest Service budgets some $30,000 per year for the maintenance of—actually, they have about 700 miles of Forest Service and county roads in the forest district there in Johnson County.

In addition to that, the Forest Service no longer has a single road grader to grade the roads with, doesn't have a backhoe to put a culvert in, and it doesn't even have a dump truck to haul gravel in to put on the roads.

The Forest Service attempts to provide some service on the roads of the national forests. However, with only $30,000 available and no equipment with which to perform these routine maintenance services, they simply cannot perform much more than just cosmetic maintenance.

And I think you would agree that $30,000 is not much in the way of maintenance. A contract for the costs of grading for about 200 miles of roads just one time is in excess of $24,000.

So if the Forest Service were the only one that did any work up there, those roads would get graded about once every four years. Practically speaking, the Forest Service in Johnson County has had its ability to maintain the roads cut so severely that, for all intents and purposes, they no longer maintain the roads.

Their position is that if a four-wheel drive can get up and down the roads, then that is going to have to do, and I think that most of you know that a lot of people in Arkansas don't even have a car, much less a four-wheel drive vehicle.

I am sure that Members are aware that although we are talking about roads in the national forest, there are families that live in these areas and using these roads on a daily basis.

There are dozens of families that live along these roads running through the Ozark National Forest. Our citizens have to have decent roads on which to drive to get to work, and upon which they

can receive those services we often take for granted, such as mail service, school bus services for children who live in the areas.

And although the funds to perform maintenance of their roads has been cut from the Forest Service budget, these roads must still be maintained, and that is where Johnson County comes into the picture.

In the last several years, Johnson County has had no choice but to assume near total responsibility for the maintenance and the upkeep of the roads in the national forest.

We are constantly buying and hauling gravel to place on these roads, as well as using our road graders to provide the routine maintenance necessary to keep these roads passable.

For Johnson County, this is where the Secure Rural School funding is vital. In 2008, Johnson County received some $690,000, although the lion's share of this revenue went to the rural schools, a reasonable amount comes to the county through Title I that helps to offset the expenses of buying gravel, the provision of heavy equipment for maintaining the roads, and the human capital necessary for operating that equipment.

If the proposed cuts go forward, we will see Johnson County's share decrease from $690,000 to $245,000. Johnson County itself will experience a loss of over $60,000 that currently goes to buy gravel for the maintenance of these roads.

At that level of funding the county will be maintaining the roads in our national forests essentially at very little cost to the Federal Government. Road maintenance is required in Arkansas by State law, and so our financial relationship with the Forest Service is vital.

Otherwise, we will have to cut other social services to maintain the roads inside the Ozark National Forest. I respectfully suggest to the Members that the partnership between the Federal and local government that was forged during the Teddy Roosevelt Administration is in danger of completely falling apart.

It is not a membership, a partnership, when one side provides all of the revenue needed by that partnership. Johnson County cannot tax the national forest. Consequently, we have no way of making up for the loss of those lands to our tax base without a program like Secure Rural Schools through which the Federal Government maintains its end of the bargain struck by President Roosevelt.

I would like to make it clear that I am not chastising the Forest Service for the lack of maintenance on the roads in our national forests, because I am not. I have great respect for the Forest Service.

In fact, back in the 1950s, there were very few jobs in Johnson County, and my father went to work for the Forest Service, and he actually retired from the Forest Service. So I have been around the Forest Service for about as long as I can remember.

And that is not to say that occasionally the Forest Service does not come up with some special dollars on a special project, usually small projects that the county winds up with very little expense in, but this is not the rule, however. That is really the exception when they do come up with money.

But I realize that I am out of time, but I would like to urge you all to support the long-term reauthorization of the Secure Rural

Schools Act so that we can provide a dependable basis for those services that are fundamental to the economic welfare of the citizens of forest communities all across the United States. Thank you, sir.

[The prepared statement of Mr. Jacobs follows:]

Statement of The Honorable Mike Jacobs,
County Judge, Johnson County, Arkansas

Chairman Grijalva, Ranking member Bishop and Committee members good morning I am Mike Jacobs, County Judge, Johnson County, Arkansas. I appreciate the honor and the privilege of testifying here today regarding the Secure Rural Schools & Community Self-Determination Act; a partnership between federal and local government that, in my opinion, is vital to the betterment of rural schools and roads in and about our National Forests. Specifically, allow me to address my experience with the U.S. Forest Service in Johnson County, Arkansas.

I was elected County Judge in 1991. At that time Johnson County contained some 1,030 miles of road 250 of which was located in the National Forests in our county. Our county road & bridge budget at that time was about $760,000 for the entire county. Today our budget is $2.9 million dollars. The U.S. Forest Service, in 1991, had a decent budget for the maintenance and operation of roads through the national forests. The budget provided the routine maintenance necessary to keep gravel roads in decent shape. Johnson County, of course, assisted the Forest Service in the maintenance of these roads on an "as needed" basis. This partnership between the county and the Service worked well for as long as our local Forest Service office was provided with the funding to take care of the roads in the National Forests. It was not long after I became county judge, however, that funding to our local office began to decrease.

Fast-forward to 2010 and our local office of the Forest Service budgets some $30,000 for the maintenance of the 250 odd miles of County roads running through the Ozark National Forest in Johnson County. In addition, the Forest Service no longer has a single road-grader, backhoe or dump truck. The Forest Service attempts to provide some service on the roads in the National Forest, however, with only $30,000 available and no equipment with which to perform routine maintenance they simply cannot perform much more than cosmetic maintenance—and I think you would agree that $30,000 will not buy much in the way of maintenance. The contract cost of one grading of the 250 miles of road in the Ozark National Forest is in excess of $24,000. Practically speaking, the Forest Service, in Johnson County, Arkansas, has had their ability to maintain their roads cut so severely that, for all intents and purposes, they no longer maintain those roads. Their default position is "if a 4-wheel drive can get up and down their roads then that will have to do."

I'm sure the members are aware that, although we are talking about roads in the National Forest, there are families living in these areas and using these roads on a daily basis. There are dozens of families that live in along roads running through the Ozark National Forest. Our citizens have to have decent roads on which they can drive to work and upon which they can receive those services, we so often take for granted, such as mail delivery and school bus services for the children living in these areas. Although the funds to perform maintenance of their roads have been cut from the Forest Service's budget these roads must still be maintained. That is where Johnson County comes into the picture.

In the last several years Johnson County has had no choice but to assume near total responsibility for the maintenance and upkeep of roads in our National Forest. We are constantly buying and hauling gravel to place on these roads as well as using our road graders to provide the routine maintenance necessary to keep these roads passable. For Johnson County this is where the Secure Rural Schools funding is vital. In 2008 Johnson County received some $690,000. Although the lion's share of this revenue goes to our rural schools a reasonable amount comes to the county through Title I that helps to offset the expenses of buying gravel, the provision of heavy equipment for maintaining the roads and the human capital necessary for operating that equipment. If the proposed cuts go forward we will see Johnson County's share decrease from $690,000 to $245,000. Johnson County will experience a loss of over $60,000 that currently goes to buy gravel for the maintenance of these roads. At that level of funding the county will be maintaining the roads in our National Forest, essentially, at very little cost to the federal government. Road maintenance is required by State law so our financial relationship with the Forest

Service is vital. Otherwise we will cut other social services to maintain roads inside the Ozark National Forest

I would respectfully suggest to the members that the partnership between federal and local government that was forged during the Teddy Roosevelt administration is in danger of falling apart. It is not a partnership when one side provides all of the revenue needed by the partnership. Johnson County cannot tax National Forests consequently we have no way of making up for the loss of those lands to our tax base without a program like Secure Rural Schools through which the federal government maintains its end of the bargain struck by President Roosevelt.

I would like to end by making it clear that I'm not chastising the Forest Service for their lack of maintenance of the roads in our National Forests because I'm not. I have great respect for the Service and, in fact, my father retired from the Forest Service so I've been around foresters for about as long as I can remember. Occasionally the Service is able to obtain additional revenues when there is a major crisis on one of their roads. Not too long ago one of our roads sloughed off the side of a hill stranding several households. Working with the Service in D.C. our local Ranger's office was able to get one-time funds sufficient to make the needed repairs with little expense to the county. This is not the rule; however, unfortunately it is the exception. I have a great relationship with our local forester and I know she would love to have the revenues available to better take care of the roads in the National Forests, however, those revenues simply aren't available.

I urge all of you to support a long-term reauthorization of the Secure Rural Schools and Community Self-Determination Act so that we can provide on a dependable basis those services that are fundamental to the economic welfare of citizens in Forested communities all across the United States. Thank You.

Mr. GRIJALVA. Thank you, and all of the panelists, and let me turn to Mr. Kildee for any questions or comments that he might have. Sir.

Mr. KILDEE. Mr. Chairman, first of all, I want to thank you for having this hearing. It is very important that we kind of update our knowledge of the importance of this legislation.

It is very important. You have really enlightened our minds and increased my motivation to make sure that we do what is right for you. We made commitments to you—free roads, free schools—and as a former teacher, I especially feel an obligation there.

I have respect for all of you individually and collectively. Trout Unlimited in Michigan is a great organization. I will try to work closely with them, and so all of you not only represent yourself, but also many other people and institutions.

And I really appreciate this, and if I may say to Ms. Groseclose [in Spanish] I am able to speak Spanish a little because I taught Latin in a public school, but I must practice more. Therefore, I should just go to West Virginia to practice with you and your students.

Ms. GROSECLOSE. [In Spanish] Excellent. I am going to be waiting for you.

Mr. KILDEE. [In Spanish] Thank you. Thank you.

Mr. GRIJALVA. Probably the hardest class I ever took was Spanish.

[Laughter.]

Mr. GRIJALVA. I went in this with this arrogant attitude that I could speak it, and so therefore I knew it, and once I learned it, the reading and the writing part, it has been a wonderful addition to my life. So I am glad for teachers.

Let me start with a couple of questions. Commissioner Pearce, the reauthorization of the legislation used a new formula to calculate payments to counties, which in some instances could be very difficult to implement.

How does your county feel about the new formula, and what changes would you like to see in it?

Mr. PEARCE. Well, my State is one of the eight transition States, and so we did not immediately go under the new formula. I think that the new formula certainly brought an addition to those counties that have large tracts of land, but perhaps did not have large timber industries. I think this is a great benefit to those counties and increases their payments because that land is certainly not on their tax rolls either.

The economic indicator is problematic, because if you take a county—and let us say my county, which on the west end is very close to the Portland Metropolitan Area. So, some 60 percent of the folks leave the county to go to work.

We take their income into account for the formula, but we don't have an income tax. So, in other words, the taxing authority for the county is a property tax, but we are using mean income to look at that salary level.

You take the center of my county where 70 percent of the children are on free and reduced lunch, and we have an actual unemployment rate near 20 percent, and you realize that formula does not quite work.

But I think that what we have put forward in discussions is a 10-year reauthorization with a payment equal to the 2008 payment, without a formula, to be perfectly honest with you.

And to look at that 2008 payment, which helped to level the playing field, and just move forward from there. I would certainly suggest that.

Mr. GRIJALVA. Interesting. If I may, Mr. Jacobs, the current reauthorization that we are talking about today is working in your county. Would you change anything in the new formula, and kind of the same question for Title II or Title III?

Mr. JACOBS. Mr. Chairman, I am really not familiar with what the new formula is. This is the first year that we have actually even had a RAC project in our county. We just now are getting caught up with the rest of the world in Johnson County.

We have always used our monies in Title III projects, which was just for improvements, but it was just to buy some gravel and keep the roads passable. We don't have any great success stories to talk about, but I am not familiar with the formula.

Mr. GRIJALVA. Thank you. I want to ask you, Mr. Thayer, that outside of the SRS funds, what do you think has led to the strength of your school system as you described it, and could you expand on that.

Besides the SRS funds the system is strong, and what are some tips about how you got there?

Mr. THAYER. I think we have had very good collaboration between our teaching staff, our board, and our community, which is unusual in a lot of places that I have been to.

The parents are very, very behind—and all the parents, even years smashed between students and stuff like that, are behind education. We are very efficient with our money, and we have a good disbursement among the board members. Some are ex-teachers, and some are business owners.

Mr. GRIJALVA. And you are a board member, correct?

Mr. THAYER. Yes, and I would say that we have managed our money very well, and we have built up a reserve, which has helped us get through these tough times. And our teachers make less than the surrounding areas, but because of the quality of life in our area, they stay, even for less money.

Mr. GRIJALVA. Thank you. I was a school board member for 12 years, and I think Mr. Coriz was as well. I share your pain, sir. Ms. Groseclose, since the reauthorization of SRS in 2008 have you seen a difference in your program as you described it?

Ms. GROSECLOSE. Yes, I have seen a difference, that scheduling has been much better for me. I have one of the most hectic schedules in the school. I already travel between one school and another, 45 minutes a day.

Mr. GRIJALVA. OK.

Ms. GROSECLOSE. And when I first began teaching, and I think it was just a rearranging of the money, too, because the money was there at that time, I had to teach half-an-hour of Spanish a day, and then 130 minutes of other things that they needed me to fill in so that other teachers could teach their core classes.

And so I am able now, after a lengthy discussion with my principals, to teach 45 minutes each day, and also to have my own room where I can make this an important factor in the students' lives so they can see it as important like their core classes.

Mr. GRIJALVA. Thank you. Let me begin with Commissioner Coriz, and then any of the other elected officials can chime in. We were talking about the budget, and I think Mr. DeFazio brought up that point.

We have two forces going on here. As elected officials at a local level, you feel the pressure of a constrained budget more than anyone else does, and being a former county supervisor in Arizona, the demands on that budget are significant. I can tell you. I know.

But my question is this. We have two schools going on. There is, I think, the need to invest. We have a great lesson today about our schools, and this Act about schools and transportation. It is a necessary investment to make up for.

But I think, nevertheless, this is a very important education investment that we are making in rural America and an important transportation investment that we are making in rural America.

And so we all agree to that, but here are the two forces. You have the investment force going and saying that we need to keep these programs alive. In fact, we need to augment the amounts in many cases.

And then you have the other force that seems to be prevalent right now. Hold off on the investments while we deal with the debt or the deficit. And so let me begin with you, Commissioner, only because of your comments on that dilemma we are all going to be facing pretty soon, and certainly we are going to face it here.

And that is the worst trickle down, because once it starts here, it ends up at a local level where the impact is even more severe. So if you were to advise Congress on how to reconcile that dilemma, where wold you put the priorities?

Mr. CORIZ. Definitely in education. I think it is critical that we start there, especially in New Mexico. That funding source goes straight to the State, and the rest is allocated to counties.

Right now it is critical to our operation. Our operation, actually with monies that came into play, we have been able to stay in the black. We have been able to keep our county employee staff where it is at, with no furloughs.

But in the same result, we see that budgets at our school districts are declining, and I think that it is critical that we continue to have that balance. I think it is real important, Mr. Chairman.

Mr. GRIJALVA. Thank you. Mr. Pearce.

Mr. PEARCE. That you, sir. This reauthorization I mentioned at the end of my testimony in 2008 was as direct a job stimulus as Congress could have possibly made. In my county, it is a third of our teachers, and half of the county employees, and I just mentioned the two largest employers in the county.

It goes directly, and it is on the ground and, like you said, it is at the lowest level. It is on the ground, and it is actually supporting families, and on top of that, it creates the infrastructure that allows folks from the metropolitan areas to get out of the metropolitan areas and see some of the beauty.

And finally I would say that I don't—I am glad that I am not in your position when it comes to this dilemma between spending and the debt. I would simply say until the economy turns around the debt is only going to grow. And if we stop this program, you are going to see——

Mr. GRIJALVA. It grow more.

Mr. PEARCE.—without rural America, you are going to see a worse recession in rural America. This money actually helped many of our rural counties weather this—I guess we are calling it the next great recession, this great recession much better than we would have.

Mr. GRIJALVA. Thank you.

Mr. THAYER. One of your Committee members mentioned that the way out of poverty is education. I read that before. With these monies, the better we can educate our citizens—and the more jobs they will acquire, and the better industry that we can bring into our area.

Thus, it is a direct correlation to taxes going up, and more jobs, and it just contributes to everyone. The better educated your people are, the more jobs you have. They go hand-in-hand.

Mr. GRIJALVA. Anyone on the panel is up to—I mean, you are free to comment on this question if you choose to, and if not, that is fine.

Ms. GROSECLOSE. Could you repeat the question again, please?

Mr. GRIJALVA. We are in this dilemma, where we are talking about deficit, and balancing the Federal budget because of the deficit, and the increasing deficit. But we are also feeling the great deal of demand in this instance, and a very legitimate demand on the part of rural America, saying that this program is working, and you need to fully fund it, if not increase it, and these are the benefits which you all talked about today.

And so how do you reconcile that, and if you were to do priorities, how would you put the priorities?

Ms. GROSECLOSE. Well, my priority would definitely have to be on education. It is the heart of the world, and I think that, for example, we are already at our bare bones.

I know that I didn't mention any super great thing that we may be doing. We are not discovering or making robots and doing all these great scientific things in our county, which I wish we could be, because we are at bare bones. What I described were the special enrichment things that we do have.

And it is because of SRS funding, and if we were to lose that, then we would be teaching math, science, reading, and social studies, and that is all our children are going to learn, if that, and not to the best of their capabilities. They are not going to be competitive in the world.

We are being geared toward project-based learning, community-based learning, getting these kids out there in the real world, and teaching them in a real world environment. We cannot do that if the Secure Rural Schools funding is lost.

Mr. GRIJALVA. Thank you. Well, let me thank the panel and I appreciate it very much. I thought that your comments and your testimony today about this program, the reauthorization, and how it is going were very powerful.

I think there are some needs, and this is something that we need to work with the agencies about expediting the nominee process, at least for the RACs, at least on the Federal level. Then I think that will energize the parties that have to go through this process to do it quickly and continue to advocate for the funding that is necessary for this program.

I think sometimes when you are getting out of a hole, you need to spend a little money to make sure everything is stabilized. So that debate will continue, and your comments for this program are going to be needed as the days go by.

And Mr. DeFazio said it. I mean, we are going to not only internally have this debate among Members of Congress, but I anticipate that we are going to have a serious debate with the Administration when the budget comes out, and what the priorities are from that office. So we will see you then. Thank you very much. The meeting is adjourned.

[Whereupon, at 11:42 a.m., the Subcommittee was adjourned.]

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