

AN EXAMINATION OF FEDERAL PAYMENTS TO
LOCAL GOVERNMENTS PROVIDED THROUGH
THE SECURE RURAL SCHOOLS AND PAYMENTS
IN LIEU OF TAXES PROGRAMS, AND TESTI-
MONY ON PENDING LEGISLATION

HEARING
BEFORE THE
COMMITTEE ON
ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE

ONE HUNDRED SIXTEENTH CONGRESS

FIRST SESSION

ON

S. 430
S. 1643
S. 2108

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CONTENTS

OPENING STATEMENTS

	Page
Murkowski, Hon. Lisa, Chairman and a U.S. Senator from Alaska	1
Manchin III, Hon. Joe, Ranking Member and a U.S. Senator from West Virginia	3
Daines, Hon. Steve, a U.S. Senator from Montana	5
Wyden, Hon. Ron, a U.S. Senator from Oregon	6
Risch, Hon. James E., a U.S. Senator from Idaho	7

WITNESSES

Dilley, Justin M., Teacher of Science, Pocahontas County High School, and Former Member, Pocahontas County Board of Education	19
Prysunka, Hon. Stephen, Mayor, Wrangell City and Borough, Alaska, on behalf of the National Association of Counties	29
Rowley, Allen, Associate Deputy Chief, National Forest System, USDA Forest Service	38
Flanagan, Denise, Director of Budget, U.S. Department of the Interior	45

ALPHABETICAL LISTING AND APPENDIX MATERIAL SUBMITTED

AASA, The School Superintendents Association:	
Letter for the Record	146
Alaska Municipal League:	
Resolution #13–2020	148
Resolution #14–2020	149
American Bird Conservancy, et al.:	
Letter for the Record	150
Crapo, Hon. Mike:	
Statement for the Record	154
Daines, Hon. Steve:	
Opening Statement	5
Dilley, Justin M.:	
Opening Statement	19
Written Testimony	22
Flanagan, Denise:	
Opening Statement	45
Written Testimony	47
Responses to Questions for the Record	136
Greenbrier County (West Virginia) Schools:	
Letter for the Record	9
Judith Basin County (Montana) Commissioners:	
Letter for the Record	57
Manchin III, Hon. Joe:	
Opening Statement	3
Montana Association of Counties:	
Letter for the Record	58
Mora County (New Mexico) Commissioners:	
Letter for the Record	59
Murkowski, Hon. Lisa:	
Opening Statement	1
National Association of Counties:	
Letter for the Record	60
National Education Association:	
Letter for the Record	155

IV

	Page
National Forest Counties and Schools Coalition:	
Letter for the Record	156
Nevada Association of Counties:	
Letter for the Record	61
New Mexico Counties:	
Letter for the Record	62
Pendleton County (West Virginia) Schools:	
Letter for the Record	10
Pocahontas Rd County (West Virginia) Board of Education:	
Letter for the Record	11
Prysunka, Hon. Stephen:	
Opening Statement	29
Written Testimony	31
Randolph County (West Virginia) Schools:	
Letter for the Record	13
Risch, Hon. James E.:	
Opening Statement	7
Rowley, Allen:	
Opening Statement	38
Written Testimony	40
Responses to Questions for the Record	78
Tucker County (West Virginia) Schools:	
Letter for the Record	16
Webster County (West Virginia) Board of Education:	
Letter for the Record	18
Western Governors Association:	
Letter for the Record	161
Wyden, Hon. Ron:	
Opening Statement	6

The text for each of the bills which were addressed in this hearing can be found on the committee's website at: <https://www.energy.senate.gov/hearings/2019/11/full-committee-hearing-to-receive-testimony-on-pending-legislation>

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LEGISLATION**

THURSDAY, NOVEMBER 21, 2019

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The Committee met, pursuant to notice, at 10:10 a.m. in Room SD-366, Dirksen Senate Office Building, Hon. Lisa Murkowski, Chairman of the Committee, presiding.

**OPENING STATEMENT OF HON. LISA MURKOWSKI,
U.S. SENATOR FROM ALASKA**

The CHAIRMAN. Good morning, everyone. The Committee will come to order. Senator Manchin is on his way, but we will get moving with opening statements.

We are here this morning to examine two important programs: Secure Rural Schools and Payment in Lieu of Taxes. We know them more directly as SRS and PILT. This hearing is probably a little bit different than some that we have had recently because in addition to conducting oversight this morning we are also examining how well these programs are working, what we can do to improve them and also to hear testimony on three bills that are related to them.

I want to welcome all of our witnesses that have joined us this morning with a special shout out to Mayor Stephen Prysunka. Mayor Prysunka is from Wrangell, Alaska, a community that I have talked about here in this Committee. It is where I spent some very formative growing up years. My parents still live there. I go there every summer. I think I have stated for the record, I am sure, that it hosts probably the best Fourth of July in all of America. So any of you who may want to challenge me on that, you have to come to Wrangell first. I know the community would welcome you. I understand that this is your first trip to Washington, DC, so we welcome you and we thank you for your leadership in Wrangell.

My colleagues here on the Committee have heard me say this a lot—we are a big state. We have a lot of resources. We call the Federal Government our landlord because it owns more than 60 per-

cent of our land, roughly 222 million acres, and much of that is controlled by the Department of the Interior and the Forest Service. We are a big, big area, but we don't have a lot of private land.

People think that you have all this land around you and you must have private ownership, but the example here this morning—the Borough of Wrangell spans an area of more than 3,400 square miles and that is just the Borough of Wrangell. Over 97 percent of it is owned by the Federal Government. When you think about what that means to your community, that leaves a pretty small tax base to address everything from public services to necessary infrastructure.

I don't want to preempt or spoil any testimony here this morning, but Mayor Prysunka estimates that Wrangell, which has a population of about 2,500—I think it is a little bit less than that, but during the summer we are about 2,500—but it has one of the highest sales tax and mill rates in the state. It has an infrastructure backlog approaching \$250 million. I mean, it is very clear that the numbers simply do not add up here and that is why programs like PILT and SRS are so important to our rural communities.

Many of the Alaskan communities rely on SRS to pay for, really, essential services, whether it is schools or roads, but what they have faced is a decline in timber receipts over the years and a lack of access to federally-owned forested lands. And so you are in a situation where these programs are really the only option until the Federal Government steps up as a true partner to support jobs and economic opportunity on our federal lands.

But today, there are areas where I think we see this is not the case. We are not seeing that partnership. The Tongass, in Southeast where Wrangell is, is our largest national forest. We are barely harvesting any timber there, just nine million board feet last year. It is tough to establish a sustainable industry. The few remaining mom and pop mills are, we are always saying they are hanging on by a thread or hanging on by their fingernails, but they are just constantly reckoning with the fact that they don't have a reliable small supply.

And that means that the people that live there and work there are really in this very tenuous situation. So it's bad enough to create a situation where communities are forced to rely on the Secure Rural Schools program, but it is worse still that despite its importance Congress has let its authorization lapse. And that means funding for important school functions, really some very, very basic things like teacher salaries, counselor salaries, arts and music, the extracurriculars, these are all now at risk. Of course, this is not limited to my state.

Around the country states with big swaths of federal lands face significant challenges in developing sustainable economies. And with the Federal Government failing to responsibly manage our forests, we have seen timber harvest decline. Activities like mining are prohibited or generally discouraged despite the multiple use mandate, and that creates a real problem. When we are not allowed to responsibly develop our resources, our rural communities suffer. We lose jobs. We lose revenues. Many communities are left with inadequate funding for their schools, forcing them to depend

more and more on programs, government programs, like SRS and PILT to make up the difference.

And I think that we can do better. We are doing some of that through the appropriations process. We fully funded PILT. We fought for the continuation of SRS, but new legislation, I think, is something that we have long talked about here in this Committee. Senator Wyden and Senator Daines and I were discussing earlier, the years throughout this Committee where there have been multiple short-term reauthorizations, efforts to address this legislatively. So today's agenda will introduce, again, some of these.

Senator Crapo has introduced S. 430, which I have co-sponsored, to provide a two-year reauthorization for Secure Rural Schools. That would provide a small dose of certainty to affected communities as we seek broader reforms that make the program less necessary. I would just say, even as I have sponsored that or co-sponsored this, it is just yet one more band-aid that will get us through two years. But if you are a community like Wrangell, two years is not a lot of planning time.

Senator Daines has introduced S. 2108, a bill to create parity for rural counties by increasing the PILT population payment rate for counties with populations under 5,000. I am also a co-sponsor of this one. He is going to be speaking to that in just a moment here.

Then the final bill on the agenda is from Senator Wyden, S. 1643, to establish an endowment eventually funded by timber receipts with some help from Congress at first to make SRS payments. This is a new approach. I look forward to learning more about it.

But as we look at these programs and the measures related to them, I think we have good experts here this morning who can speak to the state and local aspects of these programs. I certainly look forward to your comments this morning in terms of whether you support and how you would support these initiatives and how we can work with you to provide for your communities the funds that they seek as they try to be sustainable communities.

With that, I turn to my colleague, Senator Manchin.

**STATEMENT OF HON. JOE MANCHIN III,
U.S. SENATOR FROM WEST VIRGINIA**

Senator MANCHIN. Chairman Murkowski, thank you for convening the hearing today on two very important county payment programs. For years now, you and I have worked in keeping the Payment in Lieu of Taxes program, which we refer to as PILT, and the Secure Rural Schools program funded both through our work on this Committee and also on the Appropriations Committee. I particularly would like to thank you for your leadership in getting full funding for the PILT program included in this year's Interior Appropriations bill that we passed out of the Senate last month.

Today we are going to be discussing three bills from Senators Crapo, Wyden and Daines that address both PILT and Secure Rural Schools in various ways. We have a great panel here today. I want to thank you all for coming and making the effort to be here. I would like to also welcome our witnesses and thank them for traveling as far as they have to be here today.

I would like to recognize Justin Dilley. Justin's from Pocahontas County. He is a high school science teacher in my home State of West Virginia. Thank you, Justin, for being here. I understand Justin's students back in West Virginia, Pocahontas County, are watching us live this morning, and I would like to say hello to all of them and remind them that they have a great teacher in you, Justin. I know they already know that. I happen to be married to a teacher myself. I understand the work and sacrifices that all of you put in to this job, a labor of love. On behalf of me and my wife, Gail, I want to thank both you and your wife for the commitment and service you provide to helping our next generation of West Virginians prepare to succeed in life.

The Secure Rural Schools and PILT programs were established to provide funding to counties that host federal lands. Nationwide counties use funding from these programs to run basic services like law enforcement, road maintenance and childhood education. Across the nation, 742 counties have been able to fund their school programs because of the Secure Rural Schools program. And last year, more than 1,900 counties received \$515 million in funding thanks to the PILT program. These programs are the lifeblood of rural counties that contain large portions of federal land.

In Pocahontas County, West Virginia, where Justin is from, we have the Monongahela National Forest. While we welcome more than one million visitors to Monongahela National Forest each year, Pocahontas County is challenged by the fact that about half of its land base is federally owned. It is tax exempt. They get nothing from that as they would the private sector. In other words, it is not able to generate local tax revenue. Pocahontas and 13 other West Virginia counties rely on Secure Rural Schools and PILT to provide essential services. Since the Secure Rural Schools program expired, I have received numerous letters from the school superintendents and business managers that rely on Secure Rural Schools funding to support critical services. Many of them are with us today in the audience.

For example, Sherry Radcliffe. Sherry, and she is sitting right there behind Justin, she serves as the Finance Director of the Pocahontas County Board of Education. We hear from Sherry quite frequently when she is grappling with difficult decisions around staffing and budget cuts due to the uncertainty of the Secure Rural Schools program. As I am going to mention, you will see why she is so concerned because without Secure Rural Schools funding Pocahontas County would just receive \$72,000 next year, \$72,000 compared to \$750,000 that it received last year. There is no way, no way they can continue serving the students in Pocahontas County.

So Senators Crapo and Wyden have been working with Chairman Murkowski and myself along with several other members of the Committee to reauthorize the Secure Rural Schools program. Senate bill 430, which is on the agenda today, would provide a two-year extension to the program. Senator Wyden and I have also been working with Chairman Murkowski on a long-term solution to provide permanent funding for county payment programs. Senator Wyden started the conversation with the idea of creating an endowment and using the interest generated in that endowment to

fund the money needed to pay Secure Rural Schools payments in perpetuity. We are continuing to flesh that out and that is one of the bills that we will be receiving testimony on today also.

The Secure Rural Schools program provides funding to counties that used to receive funding from timber harvesting. When timber harvesting dwindled, receipts dropped off, and Congress started this county payment program. A similar storyline is playing out in other parts of my state and across the country with other communities. For example, in coal communities whose economies have experienced drastic declines. I am examining where there are ways in which we can expand the Secure Rural Schools program to cover the other rural communities whose economies are similarly impacted by downturns in natural resource production. I look forward to engaging with the witnesses this morning on how we might be best able to do that.

I believe we have a great opportunity to redesign these programs in ways that will ensure that we are serving the needs of rural communities in the best ways possible. The reason I say that, our country is being split wide open between rural and suburban. We have to do something. We are all in this together, and we have to work together. That is really what this hearing is about today.

I want to thank the Chairman for having this hearing and calling you all here and thank you all for traveling to be with us.

Madam Chairman.

The CHAIRMAN. Thank you, Senator Manchin.

I will turn to both Senator Daines and Senator Wyden for very brief comments as they seek to introduce the bills they have laid down, and then we will turn to our witnesses.

Senator Daines.

**STATEMENT OF HON. STEVE DAINES,
U.S. SENATOR FROM MONTANA**

Senator DAINES. Great. Chairman Murkowski, thank you as well as Ranking Member Manchin, and also your comments about the rural-urban divide that we see today across our country. Thanks for holding this hearing on Secure Rural Schools and Payment in Lieu of Taxes, affectionately known as SRS and PILT. Specifically, I want to thank you for including my bill, the bipartisan, Small County PILT Parity Act.

This bill is very simple. It is bipartisan. It is going to have a significant impact and a positive impact on these small counties. What my bill does, it expands the existing PILT, or the Payment in Lieu of Taxes, for counties that have less than 5,000 people. That is a foreign concept back here in Washington, DC, but back home in Montana, we have eight counties as such. You have Judith Basin County, Sweet Grass County, Petroleum County, Garfield County, McCone County, Prairie County and Carter County. I could tell you a story about each one of those counties either as a kid growing up, or when I shot my first antelope. These are really special places. They have a lot of animals, but very few people.

This bill has no effect on large counties. It has broad public support. It is very bipartisan and it is desperately needed for our Montana counties. In fact, 22 of our counties in Montana have less than 5,000 people. We have 56 counties and 22 have less than 5,000.

Three of those counties have less than 1,000 people in the entire county.

Take Garfield County in Montana as an example. It is twice the size of Delaware. Yes, I am talking about the entire State of Delaware. It has a population of 1,200 people. Delaware has a population of about a million people to put that in perspective.

Thirty-seven percent of Petroleum County is federally owned, and while public lands are a major driver of our outdoor economy, they are not on the county tax roll. They leave these counties with a large area to maintain with a relatively small amount of money and a small tax base. That is why PILT is vital for the county.

And these PILT payments are vital. They help fund local law enforcement, firefighting, schools, roads, search and rescue and so much more. Without PILT, these services can get cut. I literally have stories of county commissioners, when the PILT payments aren't coming through, where they are out there running road graders to get the snow cleared so the school buses can get the kids to school. True stories from Montana. That creates safety issues for Montanans and the well-being of our families are put at risk. That is why this bipartisan bill is critical for Montana's small counties.

I want to thank my colleagues who are co-sponsors, especially Chair Murkowski, Senator Gardner and Senator Cortez Masto, who serve on this Committee. I look forward to working with my colleagues on both sides of the aisle to get this bill signed into law as quickly as possible.

Thank you, Chair Murkowski.

The CHAIRMAN. Thank you, Senator.

Senator Wyden.

**STATEMENT OF HON. RON WYDEN,
U.S. SENATOR FROM OREGON**

Senator WYDEN. Thank you, Madam Chair and Senator Manchin, you all have a lot on your plate. This is the end of the year crunch. I know what we are dealing with in the Finance Committee. And the fact that you, Madam Chair and Senator Manchin, decided that this was so important that you wanted to have a special hearing on this topic when there is a lot going on is just a statement about the bipartisan support you all have shown for these programs. And I think we have had a great tradition on that.

And colleagues, I am not going to force a long trip down memory lane with respect to these issues, but I just want to, kind of, capulize what this was all about because we wrote Secure Rural Schools in this room. And without it, for example, I think a lot of school districts in rural America would tell you they would have school three days a week. I know, because they have told me that over the years.

Secure Rural Schools and now the transition to this exciting concept of an endowment—and Senator Risch is one of the sponsors as well—speaks to where I think this debate really needs to start and that is the stool has essentially had three legs. One was the safety net and that was Secure Rural Schools and the help for roads and law enforcement and basic services. And we made the judgment. It was valid then, valid now, that you are never going to get the harvest up high enough to meet all the needs that our

counties have. So we are going to need a safety net. We said it then, and it is still true now. Second, because this is a multiple-use committee, and we have always been supportive of multiple-use, we want to get the harvest up in a sustainable kind of fashion. Third, is essentially the forest management leg. Those were the three legs and over the years they picked up additional considerations. There is fire and climate change, for example, under forest management.

What I hope we can do today is start spelling out the updating of that stool. And what Senator Risch and I and the Northwest-erners, and we have been so pleased it had your attention, have been saying is, let's get these rural communities off the roller coaster. I think we are going to hear that today. I mean, Congress would always go until the very end, and schools would be scratching their heads, and they would call Senator Murkowski and Senator Risch asking when can they plan our budget? What is going to happen? And we would always, somehow, find a way to do it.

I remember when I was Chair, we sold off the Helium Reserve in order to cover Secure Rural Schools which prompted headlines saying, not Senator Murkowski, but Wyden has always been full of hot air, and we have just seen it again. But we want to get off that roller coaster. So what we have put together is a kind of endowment process. And if, Madam Chair, this Committee in its bipartisan tradition can figure out a way to use Secure Rural Schools to help these folks deal with the immediate concerns while we get this endowment together, I think then we are on our way to, in effect, modernizing the forestry policy of this country. I want to also thank the Administration as they have been talking to us as well.

Thank you.

Senator RISCH. Madam Chair?

The CHAIRMAN. Senator Risch.

STATEMENT OF HON. JAMES E. RISCH, U.S. SENATOR FROM IDAHO

Senator RISCH. Let me add a few comments. I could not have said it better myself, especially the part about the Helium, Senator Wyden.

Senator WYDEN. Hot air, but not——

Senator RISCH. In any event, this is a really serious problem and the thing that has really frustrated me, as long as I have been here, is we get a lot of lip service from our colleagues who really don't have a lot of federal land and don't have the kind of problems that we have. With all this talk about well, we are all Americans and yes, you have all this federal land but remember, we are all in this together. It is all parts. But then when it comes to stepping up and being a good neighbor and paying for the actual maintenance and the use of it, they just don't step up. And this is not a partisan issue by any stretch. This is a bipartisan issue. But we really need to figure this thing out. It is just not right, as Senator Wyden indicates, to go on year after year. It actually would not be bad if the short—or the timing was the same every year, but it never is. And anybody who has ever managed a business knows, you cannot manage a business with uncertainty.

So this has been a frustrating problem and one that everyone, everybody that has federal lands to any great extent, suffers with. Thank you for holding the hearing.

Senator MANCHIN. Madam Chairman?

The CHAIRMAN. Thank you. We do want to get to the witnesses.

Senator MANCHIN. I know.

[Laughter.]

The CHAIRMAN. Please.

Senator MANCHIN. Along with Pocahontas County, I have five other counties that have sent letters I wanted to introduce for the record.

The CHAIRMAN. Great.

Senator MANCHIN. It is Randolph, Webster, Tucker, Greenbrier, Pendleton, along with Pocahontas.

[Letters from five counties in West Virginia follow.]



Jeffrey A. Bryant, Superintendent

November 20, 2019

Senator Joe Machin
306 Hart Senate Office Building
Washington, DC 20510

Dear Senator Machin,

I very much appreciate your many years of service to the citizens of West Virginia. As the Chief School Business Official for Greenbrier County Schools, I sincerely appreciate your willingness to meet directly with me and my CSBO counterparts from other West Virginia counties over the years concerning the Secure Rural Schools and Self-Determination Act (SRS). I am writing to express concern as this act has not yet been reauthorized.

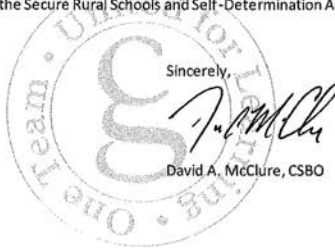
As you're aware, the SRS funds are not the same as PILT funds. In West Virginia, the PILT funds stay directly within county governments. No PILT funds make their way to County Boards of Education. For this reason, SRS funds are of high importance to County Boards of Education.

For Greenbrier County, these SRS funds have averaged around \$125,000 annually. In consideration of our overall operating budget, these funds may not appear to be of material significance. However, today, more than ever, every dollar counts in public education. These funds, in particular, are not restricted or designated funds, so they allow county school districts discretion in their use. In Greenbrier County, like much of the state, we've seen a dramatic increase in the severity of needs within our special needs student population. These specialized needs are very costly to meet. Increasing costs of all other operations are being met with fewer state monies as student populations decrease. The SRS funds are vital to our ability to meet the specialized needs of our students.

I welcome further discussion with you and your team regarding this important issue as we work to support the reauthorization of the Secure Rural Schools and Self-Determination Act.

Sincerely,

David A. McClure, CSBO



PENDLETON COUNTY SCHOOLS

P.O. Box 888
58 Walnut Street
Franklin, WV 26807
Phone: (304) 358-2207
Fax: 304-358-2936



November 19, 2019

Senator Joe Manchin
306 Hart Senate Office Building
Washington, DC 20510

Senator Manchin,

Thank you for your many years of service to West Virginia. We appreciate your hard work. We write today to express our real concern that the Secure Rural Schools and Self-Determination Act (SRS) has not been reauthorized.

For more than 100 years, the Forest Service has shared 25 percent of timber revenues with rural counties to compensate them for federal ownership of lands, which cannot be taxed at the local level. Counties and school districts rely on these funds to help support critical services, including education and infrastructure projects. While timber harvest levels have dropped over the years, Congress has recognized the need to live up to its obligations and continue to support these districts.

We want to stress that SRS funds are not the same as PILT funds. We are appreciative of the PILT program reauthorization, but also want to point out that PILT funds go directly to county governments, such as the local county commission, and do not flow through to the local school systems in any way in West Virginia. So, the SRS funds are extremely critical for rural school systems.

At first glance, the SRS funds of approximately \$100,000 per year for Pendleton County are not huge in a \$12 million dollar overall budget, but the fact that they can be spent on discretionary needs such as maintenance, increased utility costs in a cold winter, or be used without restriction make the funds vitally important.

I would welcome the opportunity to discuss this most important issue, and other education matters further as schedules allow.

Sincerely,

J. P. Mowery, CPA
Director of Finance/Treasurer
304-358-2207, ext. 125
jmowery@k12.wv.us

<http://www.pendletoncountyschools.com>

Pocahontas Rd County Board of Education
404 Old Buckeye, Buckeye, WV 24924
(304) 799-4505 Fax (304) 799-4499

November 11, 2019

Senator Joseph Manchin
306 Hart Senate Office Building
Washington D.C. 20510

Dear Senator Manchin:

We thank you for your continued service to West Virginia and Pocahontas County citizens. We again are asking for your support of our rural school systems. Pocahontas County, as well as many other schools in West Virginia and other western states, rely greatly on Secure Rural School (SRS) funding to meet the basic needs to afford a free and appropriate public education to every child with equal opportunity to learn. Schools need financial stability to operate effectively. Having a long-term commitment for SRS funds would help up to move forward in budget preparation each year and provide employment security to staff. Staffing decisions for the next school year must be made months in advance. Without concrete funding in place, staff must be reduced in anticipation of budgetary constraints. This creates insecurity and turmoil for staff, which, in turn, affect students' learning.

When counties do not have adequate tax revenues, they must cut expenses. In Pocahontas County, we have been left with no choice but to continually cut expenses, many to the detriment of our students. In an effort to balance the budget, we have eliminated staff or cut expenditures in the following areas:

- Custodial employees
- Cooks
- Bus operators
- Beneficial continuing education
- Routine repairs and major improvements
- Elementary art and music
- Instructional supplies and supplemental materials
- When possible, teacher vacancies caused by retirement are not filled

Pocahontas County - West Virginia's most rural county and the third largest county by land mass – received the largest share of the SRS funds. Federal or state governments own over 68% of land in our county; this hinders economic industrial growth. Because very little timbering has occurred on national forest, our revenue stream is depleted. In the past, Pocahontas County received an average SRS funds award of \$750,000 annually; in the last few years that number has been cut in half, with **no funding so far this year.**

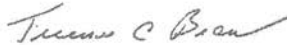


Even though funding continues to diminish, county schools systems still have baseline obligations to meet. We must heat building, run buses, employ staff, maintain buildings, and educate students. While some costs are to be expected, we have experienced a rise in special needs students with significant disabilities. These students require additional staffing (such as aides), special accommodations, and added health care providers – to meet both physical and mental needs - all of which is very costly and nearly impossible to anticipate because of the inherent uniqueness of each individual student. Additionally, in the past two years, counties have been mandated to provide training (cardiopulmonary resuscitation (CPR), first aid, Crisis Prevention and Interventions (CPI), and sexual abuse) without additional funding sources for these training.

We are grateful for renewing the "Payment in Lieu of Taxes (PILT)" which goes directly to the county commission and is used for funding other government entities – such as emergency services and law enforcement. Although these entities indirectly support our students, **county school systems do not receive any of the funding**. It is a common misconception that school systems receive PILT monies. We do not!

Please find the needed funds for rural counties that are heavily owned by state and federal governments. Schools are funded by a large percentage of property taxes. This means over 68% of land in Pocahontas County is not being taxed to support our students' education. Government ownership decreases our tax base significantly. Please support education by funding SRS this year and as a longer-term commitment! We would welcome the opportunity to discuss this important issue further.

Sincerely,



Terrence C. Beam
Superintendent



Sherry Radcliff
Director of Finance/Treasurer





Senator Joe Manchin, III
 306 Hart Senate Office Building
 Washington DC 20510

Senator Manchin,

We write to express our hope that a long-term commitment for Secure Rural Schools (SRS) funds moves forward with the Committee on Energy and Natural Resources at the hearing to be held on Thursday, November 21, 2019.

As you know, for more than 100 years, the Forest Service has shared 25 percent of timber revenues with rural counties to compensate them for federal ownership of lands, which cannot be taxed at the local level. Counties and school districts rely on these funds to help support critical services, including education and infrastructure projects. While timber harvest levels have dropped over the last two decades, Congress has recognized the need to live up to its obligations and continue to support these districts.

SRS funds are extremely critical for rural school systems, such as Randolph's. Other school systems affected in West Virginia include Pendleton, Pocahontas, Greenbrier, Tucker, Webster, Grant, Hardy, Hampshire, Barbour, Monroe, Nicholas and Preston.

At first glance, the SRS funds of approximately \$260,000 per year for Randolph County are not huge in a \$40 million-dollar overall budget, but the fact that they can be spent on discretionary needs such as maintenance, increased utility costs in a cold winter, staffing needs for a rural county, or be used without restriction make the funds vitally important. Randolph County Schools also used this funding for a conservation program for 5th grade students. The loss (in 2017) and uncertainty surrounding this funding caused this program to close in 2018 as the county had no choice but to divert this funding to other needed areas as stated above.

The following table shows the funding history for Randolph County Schools:

Randolph County Schools
Funding History
Secure Rural Schools - National Forest Land Grant

Year	Secure Rural School & Community	Mineral Management Service Royalty (PILT)	Total Revenue	Outdoor Education Program (15%)
2019	241,654.81	20,145.43	261,800.24	-
2018	261,308.08	212.38	261,520.46	-
2017	47,766.04	720.13	48,486.17	-
2016	258,248.38	16,917.36	275,165.74	41,274.86
2015	200,666.55	46,217.70	246,884.25	37,032.64
2014	260,919.98	8,644.78	269,564.76	40,434.71
2013	266,988.90	6,039.58	273,028.48	40,954.27
2012	263,588.35	25,590.27	289,178.62	43,376.79
2011	290,514.66	26,073.56	316,588.22	47,488.23
2010	321,552.84	29,679.30	351,232.14	52,684.82
2009	337,462.40	77,340.08	414,802.48	62,220.37
2008	363,900.58	31,885.57	395,786.15	59,367.92
2007	364,648.94	32,509.98	397,158.92	59,573.84
2006	361,038.55	23,040.92	384,079.47	57,611.92
2005	352,921.34	23,265.14	376,186.48	56,427.97
2004	348,392.24	38,341.86	386,734.10	58,010.12
2003	342,930.25	28,054.52	370,984.77	55,647.72
2002	329,184.48	25,338.62	354,523.10	53,178.47

Thank you for all that you do for West Virginia and Randolph County. I would welcome the opportunity to discuss this most important issue, and other education matters further as schedules allow.

Sincerely,

Debra L. Schmidlen
 Superintendent of Schools
 304-636-9150 ext. 207
 dschmidl@k12.wv.us

Randolph County Schools
Typical use of SRS Funds

		Balance
	Amount Received	260,000.00
Outdoor Ed	(40,000.00)	220,000.00
Technology Incentives	(10,000.00)	210,000.00
Interventionist Position	(50,000.00)	160,000.00
Summer Handymen	(15,000.00)	145,000.00
Aide Overages	(30,000.00)	115,000.00
Teacher Overages	(100,000.00)	15,000.00
Misc School Repair or Improvement	(15,000.00)	-



Alicia R. Lambert
Superintendent
Arlambert@k12.wv.us
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100 Education Lane
Parsons, West Virginia
Tel: (304) 478 - 2771
Fax: (304) 478 - 3422

November 19, 2019

To Whom it May Concern:

As the Superintendent of Tucker County Schools and someone who cares deeply about the future of our students and Tucker County as a community, I respectfully ask that you extend the Secure Rural Schools and Community Self-Determination Act (SRS).

Over the last nearly two decades, SRS has been a critical lifeline for over 775 counties in over 40 states across the country by helping fund more than 4,400 schools. However, the most recent SRS authorization expired at the end of the last fiscal year.

I believe that you recognize the importance of reauthorizing the SRS. Unfortunately, the amount has continued to dwindle down over the last several years, and has been disappointing. The Secure Rural Schools Act provides critical services to Tucker County Schools to educate nearly 1,000 school children in our county. It is important to note that since 2007, we have seen payments drastically reduced. Tucker County is a rural forested county where the government owns a majority of the land and where the United States Government has demonstrated a 100 year commitment to support school infrastructure. As a consequence of this Federal land ownership, Tucker County suffers the burden of a very limited tax base. Approximately 80% of Tucker County is consumed by Non-Taxable (49%) and Reduced Rate Taxable Acreage (31%). Below is a breakdown of funding received by Tucker County Schools over the last eight years:

	FY 19	FY 18	FY 17	FY 16	FY 15	FY 14	FY 13	FY12
Tax Revenue (Full Rate and Reduced Rate Acreage)	4,028,965	3,863,508	3,946,368	3,869,781	3,885,484	3,672,882	3,339,550	3,220,655
National Forest Land-Dept of Agriculture	92,240	125,347	23,841	138,765	155,104	141,294	151,930	163,449
Total Funding	4,121,205	3,988,855	3,970,209	4,008,546	4,040,588	3,814,176	3,491,480	3,384,104
% of revenue from non-taxable acreage	2.24%	3.14%	.60%	3.46%	3.84%	3.70%	4.35%	4.83%

Board of Education

Tim Turner, President
Daniel "Chopper" Evans, Vice President
Christopher Gross
Cathy Hebb
Jessica Wamsley

As you can see, payments received on behalf of the non-taxable acreage in Tucker County provide only a small percentage of the total tax revenue generated and provided to our schools and those revenues have been unstable and declining.

The effect is that it starves Tucker County Schools of funds for essential services and will slowly, but surely further erode educational opportunities for our school children. What this all adds up to is more unemployment in our community, which is already reeling from today's economic climate.

In addition, Tucker County Schools strives to utilize the limited funds received to serve the students' education to the greatest extent possible, however, this has resulted in a decline in the condition of school facilities due to the inability to finance preventative maintenance. This is a safety concern for our school children. As a great example of that, Tucker County Schools recently evaluated the condition and safety of its school buildings and determined that the most dire current safety need is to replace exterior doors on our school buildings which are in danger of falling out of the school buildings. Every dollar counts in Tucker County and Tucker County Schools needs funds provided from the acreage in federal land ownership.

I will close by thanking you in advance for supporting this legislation and I believe you will work very hard for a positive result. The children of Tucker County deserve the best education possible. They also have the right to enjoy enriching educational and extracurricular activities. Removal of any funds would be devastating when we should be offering more in order to make sure our students are successful in this competitive world.

Respectfully,



Alicia R. Lambert, Superintendent
Tucker County Schools

Webster County Board of Education

Superintendent

Scott L. Cochran

Board Members

Joyce Markle, President
Susan Chericalo
Lisa Clutter
Linda Goff
Jimmy Hamrick

315 South Main Street
Webster Springs, WV
26288

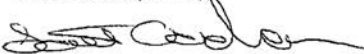
Phone: 304-847-5638
Fax: 304-847-2538

11-19-19

Senator Manchin,

I would first and foremost like to thank you for providing us this opportunity to be a part of the discussion process as it relates to the Secure Rural Funds Legislation. For us in Webster County, these funds continue to play a very crucial role in the educational process of all of our students. Last year we received approximately \$130,000 in funding and previous years it was at a much higher amount. Without these funds it would be very detrimental to our county and to all of our students. We would have to make cuts in providing resources to schools, cuts in our Maintenance Department and cuts in supplies. It is my hope that we can find a long term fix that will help guarantee these along with many other resources will continue to flow to all of our schools from these funds. It is our hope that with your support we can secure passage of legislation to fund the SRS to its original amounts. We cannot stretch our budgets any further than they already are, and without any excess levy in Webster County it has become very challenging to provide a quality education for all of our students. Please think about our students first when this decision is made.

Thanks for all of your help.



Scott Cochran

Superintendent

Webster County

Senator MANCHIN. And if I may ask, I have to go give a Floor speech. I would like to hear Justin's opening remarks. Would it be possible to start with Justin from West Virginia? How does that sound?

The CHAIRMAN. What do you think?

I was going to go with the Mayor of Wrangell, but——

[Laughter.]

We will give you that courtesy.

Senator MANCHIN. Thank you.

The CHAIRMAN. I do appreciate the, kind of, the roller coaster and the discussion of the history of this issue coming out of this Committee and, as frustrated as we are about this, imagine what it means to be the Mayor of Wrangell, to be any of these counties that you have outlined, to be the county commissioners that Senator Daines has pointed to where you have 1,200 people there. This ought not be impossible to resolve, so let's get to work on it.

I will introduce all of the witnesses here this morning, and then we will go in reverse order, Mr. Dilley, so you can start.

We are joined this morning by Denise Flanagan, who is the Director at the Office of Budget for the Department of the Interior. We appreciate your leadership over there.

Mr. Allen Rowley, who is the Associate Deputy Chief at the Forest Service with USDA. Thank you for being here.

I have mentioned Mayor Prysunka, who is the Mayor of the City and Borough of Wrangell and, again, the fact that he is able to provide this perspective this morning is so greatly appreciated.

And Justin Dilley, who has been introduced by Senator Manchin, from the Pocahontas County High School.

Senator RISCH. Madam Chairman?

The CHAIRMAN. Sir?

Senator RISCH. I should note that we have a celebrity here, Mr. Allen Rowley. You probably don't know, as I am told, the second-best student ever to graduate from the University of Idaho with the College of Forestry.

The CHAIRMAN. And who was that first best?

Senator RISCH. I would have to look that up, Madam Chair.

[Laughter.]

The CHAIRMAN. Good, we appreciate that.

[Laughter.]

We would ask that you try to keep your comments to about five minutes, and then we will have an opportunity to ask further questions. Your full statements will be included as part of the record. I will remind colleagues that we have three votes starting at 11:30, so we have a lot of work to do. So everybody talk fast, and we are not going to talk as much. We usually don't, but we all get really energized about this issue, I think you can see.

Mr. Dilley, why don't you start off?

**STATEMENT OF JUSTIN M. DILLEY, TEACHER OF SCIENCE,
POCAHONTAS COUNTY HIGH SCHOOL, AND FORMER MEMBER,
POCAHONTAS COUNTY BOARD OF EDUCATION**

Mr. DILLEY. Thank you, Chairman Murkowski, Ranking Member Manchin and other members of the Committee for inviting me here today. I'm very pleased to be here to discuss the Secure Rural

Schools (SRS) and the PILT program funds as well. I know I can only speak today to my experiences in my county, but I feel our struggles are mirrored by most rural counties across the country.

Again, my name's Justin Dilley. I'm a former self-employed land surveyor. I also have a Bachelor's of Science in Civil Engineering and now teach at Pocahontas County High School. My family has also lived in Pocahontas County for over 150 years.

Pocahontas County has a population of about 8,400 people and a land area of about 602,000 acres. It makes it the third largest county in the 55 counties in West Virginia. That gives us, also, a population density of 8.9 people per square mile, the lowest in West Virginia. Out of the 602,000 acres that make up Pocahontas County, almost two-thirds of this is the Monongahela National Forest. This is land that is not available for development and also that is not taxed.

The SRS was put into place to help communities that were struggling due to the downturn of the timber industries and was to be revoked when the markets turned around or when counties formed a better way to support their economies. While the timber market is the lowest it has been in several years and when the Forest Service owns the majority of your county and you're in a rural location, there's not much opportunity to expand your economy.

Pocahontas County Schools have around 980 students enrolled this year. We operate one high school, two middle schools and three elementary schools. Working with a limited budget and previous SRS payments, very careful decisions must be made about how every dollar is spent. However, within these constraints, our school system has some proud achievements. Green Bank Elementary-Middle School partnered with volunteer scientists from the Green Bank Observatory, and formed their first Lego Robotics team. After winning a regional competition, they went on to the world championship held in Detroit, Michigan, in 2019.

We have excellent vocational programs at the high school, and last year the Forestry Team brought home their eighth national championship at the National FFA Convention.

But the scholastic subject that has garnered us the most recognition is our innovative math and STEM curriculums. Several schools now have STEM clubs and activities, staffed with teachers and volunteers. With the help of a local school teacher serving as coach, Pocahontas County has become one of the top performers in state achievement testing in math. We now have partnered with the National Science Foundation, West Virginia University and the American Institute for Research to provide training for math teachers from around the state. This shows that rural does not mean restricted.

These types of successes are what is at stake if we continue to lose funds. Like many small rural systems in West Virginia, Pocahontas County is always searching for money. We try to operate as frugally as we can, but with requirements, new positions and new programs that are not always funded, some cuts are required and most of these are very important. Pocahontas County Schools must deal with special issues that are unique to rural counties. For example, transportation is one of our biggest expenses. It has a budget of almost \$1.3 million. Reaching every student in our extensive

county involves bus routes of many miles, ages of all children of different ages riding the bus and, in some cases, for over an hour and a half.

Another troubling issue revolves around unemployment and the opioid crisis. The social, emotional and educational stressors these problems place on our students require the help of well qualified psychologists, counselors that are currently not available because of lack in funding.

There are also three other areas that we lack, that impacts our children. First, our facilities are in desperate need of replacement and maintenance. Our newest school is 30 years old and our oldest one is 50, and only one actually has air conditioning in it.

Second, our security needs to be drastically updated and revised. We have no school resource officers and with limited monies for safety measures, emergency services sometimes can be far away. Safety becomes even more vital.

Finally, as much as we enjoy the academic accomplishments of our students, the truth is, the lack of reliable internet and broadband sometimes hamstrings our progress. Students that are taking required tests at our high school often can only do a few at a time and even sometimes they are kicked off while taking a test.

Chairman Murkowski, Ranking Member Manchin and members of the Committee, thank you again for inviting me here today. It has been an honor and a privilege. I urge you all to heed our concerns and enact the bill that will give a stable and permanent solution to SRS. The loss of these funds will surely be crippling to counties like ours all across the nation and our school system would be happy to help in any way possible to help find a permanent solution.

Thank you, again.

[The prepared statement of Mr. Dilley follows:]

Testimony of Justin Dilley, Pocahontas County Board of Education

Testimony of Justin M. Dilley
 Teacher of Science, Pocahontas County Board of Education
 Senate Energy and Natural Resources Committee Hearing on Secure
 Rural Schools (SRS) and Payment in Lieu of Taxes (PILT)

NOVEMBER 21, 2019

Thank you Chairman Murkowski, Ranking Member Manchin, and members of the Committee for inviting me here today. I am very pleased to be here today to discuss Secure Rural Schools (SRS) and Payment in Lieu of Taxes (PILT) programs.

I am a former self-employed licensed land surveyor, a former Pocahontas County Board of Education member and now a teacher of science at Pocahontas County High School. I have a Bachelor of Science in civil engineering from West Virginia University and an Associates degree in land surveying from Glenville State College. My family has lived in Pocahontas County for over 150 years, and I continue to operate our family farm.

I served on the board of education starting in 2018 until July of 2019 when I resigned to teach. During my time on the board, I knew early on that we were at risk of losing our SRS payments. Knowing that this would be an enormous loss of funds to our county school system, I began to research SRS and the U.S. Forest Service land within our county. We received our final SRS payment for the school system in the spring of 2019 of around \$360,000 (another \$360,000 by statute goes to funding the County's roads program). In a county where our school budget is relatively small, the loss of these funds means cutting vital programs and staff.

County Demographics and Forest Service Lands

Pocahontas County has a population of approximately 8,400 people with a land area of 940.28¹ square miles or 601,780 acres, the third largest in West Virginia after Randolph and Greenbrier respectively. This gives Pocahontas County a population density of 8.9 people per square mile as of the 2018 estimated census data, the lowest population density of any county in West Virginia.

Of the 601,780 acres that make up Pocahontas County, about 310,000 acres of it lies within Monongahela National Forest (MNF)². This is land that is not available for development and

¹ United States Census Bureau. (2019, 11 16). *United States Census Bureau*. Retrieved from Quick Facts: <https://www.census.gov/quickfacts/fact/table/pocahontascountywestvirginia,US/POP060210>

² Pocahontas County . (2019, 11 16). *Quick Facts*. Retrieved from Pocahontas County Convention & Visitors Bureau: https://www.pocahontascountywv.com/quick_county_facts.aspx

Testimony of Justin Dilley, Pocahontas County Board of Education

normal taxation. Interestingly, while researching courthouse records of land held by the U.S. Forest Service, I discovered that MNF actually controls closer to 425,000 acres in Pocahontas County instead of the said 310,000 acres claimed. So approximately two thirds of the land in our county is federally owned. (See Appendix 1 for a map of Pocahontas County with the MNF highlighted)

Pocahontas County relies on tourism, agriculture, and timber harvesting as our principal sources of income³. As an isolated, mountainous county, revenues in every area of our economy are low as we strain to provide infrastructure and services to our citizens. We also look after approximately 1 million visitors annually and provide assistance to the Monongahela National Forest employees and their families with services such as childhood education.

Noted Achievements on a Limited Budget

As of April 01, 2019 Pocahontas County has an enrollment of 991 students. We operate one high school, one K-8 elementary/middle school, two K-5 elementary schools, and one 6-8 middle school. Working with a limited budget from the state, and previous SRS payments, very careful decisions must be made about every dollar spent. Even with our financial shortcomings, Pocahontas is still able to achieve high standards, but the loss of SRS funding puts some of these achievements at risk.

1. Green Bank Elementary/Middle School

Green Bank Elementary/Middle School (GBEMS) is a K-8 school located in the northern end of the county beside the Green Bank Observatory (GBO). Last year GBEMS formed their first Lego Robotics team. With the help of a couple GBO volunteers, they won the regional competition and went on to the world competition held in Detroit, Michigan.

2. Pocahontas County High School

Pocahontas County High School (PCHS) is located near the middle of the county and is a 9-12 grade school. The high school is blessed to not only have a high achieving academic school, but also one of the top vocational programs in the state. Along with the standard math, science, social studies, and English classes, PCHS is also able to provide students with classes such as forestry, agriculture, carpentry, welding, culinary, computer science, engineering, and business. PCHS also offers classes such as art, band, and Spanish. With all of these classes, PCHS is not only graduating college-ready students but also workforce-ready students. With the loss of

³ WorkForce West Virginia. (2019, 11 16). *Labor Market Information*. Retrieved from WorkForce West Virginia: <http://lmi.workforcewv.org/default.html>

 Testimony of Justin Dilley, Pocahontas County Board of Education

funds, these programs have to continuously, fundraise and try to find other means of finance to keep some of their programs alive.

Some other achievements include:

- In 2018-2019 PCHS graduated a National Merit Finalist.
- In 2018 the PCHS Forestry Team won 1st in the Nation at the National FFA competition. This gave PCHS Forestry its 8th national championship and its 26th state championship. PCHS has also had 20 number one individuals and the only school in history to take 1st, 2nd, 3rd, and 4th at nationals.
- In 2015 PCHS also had a student place second in the Nation in carpentry.

3. Pocahontas County Education System

Pocahontas County school system has many achievements that it is proud of, but one of the most recent achievements is the advancements of our math and STEAM programs. A few years ago Pocahontas County's math program was around state average. With the help of a few teachers and some innovative minds, they were able to redesign how to teach mathematics and take a rural county to one of the top performers in that field. Pocahontas County has partnered with National Science Foundation's Robert Noyce Teacher Scholarship program, West Virginia University's College of Education and Human Services, the West Virginia Department of Education and the American Institutes for Research to create Mountaineer Mathematics Master Teachers or M3T program⁴. This program is designed to spread thoughts, ideas, and teaching methods throughout the state to other interested counties and teachers. Many other counties have sent their math departments to observe Pocahontas County math teachers, which Pocahontas County welcomes, in order to help advance students' educations.

One of the leaders in the M3T project, Joanna Burt-Kinderman was also featured in *Education Week*, "Leaders to Learn From", in 2019.

Needs of Pocahontas County School System

Like many small rural school systems around West Virginia, Pocahontas County is always searching for money. It has become necessary for our board to hire a grant writer to assist with looking and signing up for grants that could help to improve not only our school facilities but also fill any gaps that could be missing in our school system. We try to be as frugal as possible with all the funds we receive, but with the added pressures of state and federal requirements and the needs of our children, it is hard to keep on staff that is not 100% necessary. The only way Pocahontas County Schools was able to balance their budget for the 2019-2020 school year, with

⁴ West Virginia University. (2019, 11 16). *M3T Frequently Asked Questions*. Retrieved from West Virginia University: <https://stemcenter.wvu.edu/faq/m3t-faq>

the loss of SRS funding, was the retirement of several teachers and staff members. Unfortunately, some of those positions are the ones that are badly needed. Green Bank Elementary/Middle School lost three (3) positions, Marlinton Elementary School lost 1.5 positions, and Hillsboro Elementary School lost 0.5 positions. Principals are teaching classes each day. One of our teachers has assignments at two schools which are 26 miles apart.

In our service personnel – cooks, custodians, maintenance, etc. – we are at the state minimum of what is required. These personnel work tireless hours and do the best they can to keep our children fed and our schools clean and operating.

Pocahontas County Schools must deal with special issues that are unique to rural counties with few schools and small populations. Due to the vast size of our county, transportation is one of the biggest expenses that our county incurs. Reaching every student in our far-flung county involves bus routes of many miles and all ages of children riding on the same bus.

Like many other counties in West Virginia, we struggle with our own drugs, alcohol, and opioid problems. Many students live with their grandparents, who do not receive any financial assistance for housing their grandchildren. This puts a large financial burden on families that may already be struggling. Due to the opioid issues and other family and social dynamics, our school systems have a greater need for well qualified school counselors and psychologists. We need qualified people who can assist in these mental and emotional situations. We also are now in need of health and nursing specialists who can provide health care to those students who may not be able to receive medical attention anywhere else. Pocahontas County is fortunate to have a nurse on staff and also a Community Care facility. However, those services are only in each school one day a week. If there was a medical emergency with a student, the correct services or personnel may not be there on that day.

Most of our school facilities are beginning to show their age. Our high school alone will be fifty (50) years old this coming year. Even our newest facility is almost 30 years old. Our schools are beginning to deteriorate and so are many of the utilities, technology, kitchen equipment, etc. that our schools depend on. Out of the five schools that we operate, only the high school has air condition in its classrooms.

In Pocahontas County we try as best as we are able to implement security measures but, in reality, we are still lacking. Being in a rural area makes it harder for police and emergency services to quickly get to a school. Our small police force lacks the resources to spare policeman at each of the schools. If, we had the funds it would be ideal to have a resource officer at each of the schools. Also, being in our rural location and the radio quiet zone for the GBO, cell phone service is severely limited. Only two out the five schools have cell service and only one is adequate and reliable. This makes emergency communication very difficult even within our schools from classroom to classroom. The high school has an internal phone system connecting all of the classrooms while the other schools do not. They must rely on email or just word of

Testimony of Justin Dilley, Pocahontas County Board of Education

mouth to relay information. Due to our limited broadband and technology, students as well as teachers do not have access to Wi-Fi. This also limits our emergency communication.

Finally, as much as we enjoy the academic accomplishments our students have achieved, the truth is, the lack of reliable internet accessibility at schools and in the community constrains our progress. When our students are taking required tests at the high school they often can only do a few at a time and sometimes get “bumped off” the Internet in the middle of a testing session.

Adverse Effects of Funding Loss

The reason for listing some of the achievements that the Pocahontas County school system has is to illustrate what is at risk. As of right now, we are still able to provide students with many different learning opportunities and the education for several different career paths. As funds diminish, these are some of the programs that could go by the wayside. Without the arts, the vocational studies, and other STEAM courses, students will have even less of an opportunity to further their education and could also become less competitive in the job and college markets. With the loss of these curriculums, student dropout rates would increase. Some students only attend school because they have a chance to learn a trade and to be career ready right out of high school. With a rise in dropout rates and less children attending school, there is a chance that other misfortunes such as poverty and drugs could rise.

From a community standpoint, a drop in the level of education provided could have a substantial effect on the county as a whole. Many employers and companies take into account the school system in an area when selecting a location to start a business. Also, with telecommuting becoming more prevalent, people now have a larger say on where they would like to live and work from. This also puts education in the forefront when some families are looking for a place to reside.

Pocahontas County’s population has decreased over the last ten (10) years and one possible way to reverse this trend is to educate our youth. By providing our children with the best education possible, some may find ways to grow a business in their community, make a new start up, or bring something back to the area that they have found while furthering their education. The only way to initiate this process is by instilling in them the urge to learn, to advance themselves and their minds and never stop learning. If you do not have a successful school system with qualified and certified teachers, you are at risk of losing your youth.

Solutions

For the time being, until a more permanent solution has been found, we are asking that Congress reinstate or extend the previous SRS bill for another two (2) years. This would continue to aid in schools funds while a more secure plan develops.

Testimony of Justin Dilley, Pocahontas County Board of Education

In those two (2) years, a new and stable plan needs to be set into action. Schools want a permanent fix where they don't have the fear every year of losing resources. Having a stable, predictable source of income also allows counties to better plan for the future which gives more security to a school system.

I have read over Senator Crapo's proposed bill to extend the SRS funds and hope that this moves forward. I have also briefly read over Senator Wyden's bill and would appreciate a summary or layout of what this could do for the SRS counties.

Conclusion

In my testimony I have focused on Pocahontas County because that is what I am most familiar with. But, I am here to represent all of the counties in West Virginia that receive SRS funds. Certain counties have indicated that they have some of the same needs that Pocahontas has. Hardy County, for example, sent a letter to Senator Manchin indicating their financial assistance will decrease 88 percent without SRS being reauthorized. As stated, the SRS program's expiring is a huge loss to the Pocahontas County school system's budget and funds and could have detrimental effects on the county as a whole. I urge you today to heed our concerns and enact a bill that will give a stable and permanent solution to the SRS.

Chairman Murkowski, Ranking Member Manchin, and members of the Committee, thank you again for inviting me here today. It has been an honor and a privilege. Our county school systems are happy to partner with you in trying to find a solution that supports all SRS counties. I am happy to answer any further questions to the best of my ability and help to continue this discussion.

Justin M. Dilley
Teacher of Science, Pocahontas County Board of Education

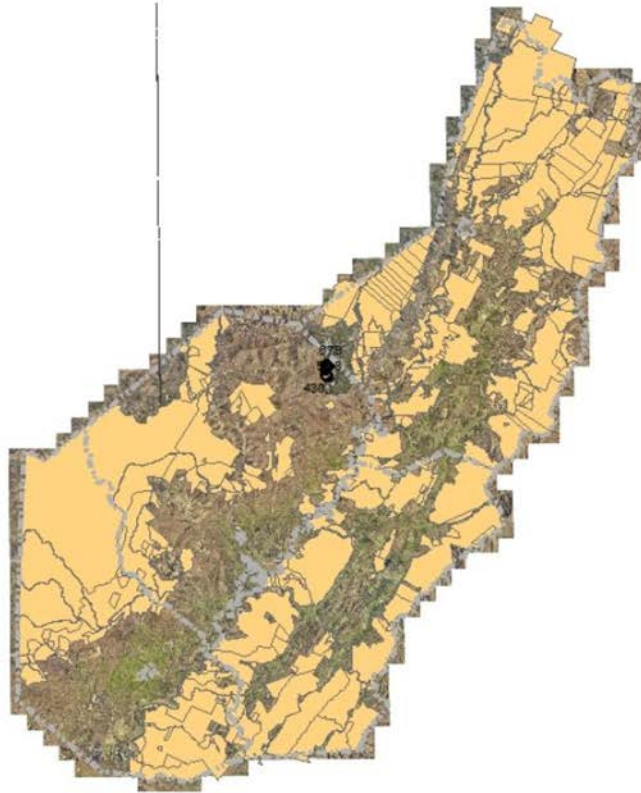


Figure 1: Yellow is USFS owned land in Pocahontas County, West Virginia

The CHAIRMAN. Thank you, Mr. Dilley. Thank you for sharing that.

Mayor Prysunka, welcome.

STATEMENT OF HON. STEPHEN PRYSUNKA, MAYOR, WRANGELL CITY AND BOROUGH, ALASKA, ON BEHALF OF THE NATIONAL ASSOCIATION OF COUNTIES

Mr. PRYSUNKA. Good morning, Chairman Murkowski, Ranking Member Manchin and members of the Committee. Thank you for holding today's hearing on PILT and the SRS programs and for inviting me to testify on behalf of the National Association of Counties, NACo, and the nation's 3,069 counties.

My name is Stephen Prysunka, and I'm the Mayor of the City and Borough of Wrangell, Alaska. Wrangell is in Southeast Alaska between Ketchikan and Juneau. If you've ever taken a cruise through Alaska, you likely steamed right by our community but you more than likely steamed right by our lands.

Although I represent our municipal government, I also bring a warm greeting from our Wrangell Cooperative Association, the Shtax'heen Kwaan Tribal Government which represents 740 native residents in our area. We work closely with the tribal government to collaborate for the benefit of all community members.

Wrangell Borough has a population of roughly 2,500 residents and it's nearly 3,500 square miles in size—or about 1.63 million acres. You could fit Washington, DC, 50 times over into our borough. I know very well the challenges public lands and national forest counties face as we seek to provide our residents and visitors with essential services in the face of strict revenue and budgetary constraints. My testimony today offers the local perspective on PILT, SRS and specific legislation to improve these programs.

Rural public land counties face the pressure of smaller tax bases caused by large tracts of untaxable federal lands within their jurisdiction, along with fewer residents and businesses producing revenue. Our borough is geographically large but 97 percent of the land within our boundaries is within the Tongass National Forest and cannot be developed. This severely restricts our ability to grow our economy to create the tax base necessary to provide the legally-mandated services to residents and visitors alike. There is no small community exemption to relax a rule for sewage treatment, emergency services or education standards.

PILT particularly addresses lost property tax revenue for counties like mine. Last year Wrangell received approximately \$470,000, or about \$0.29 per acre, from PILT. Overall, PILT funding accounts for approximately seven percent of our annual general fund budget and is used for emergency services such as fire protection and law enforcement. Wrangell relies on these funds to maintain and improve critical infrastructure that any community needs to attract businesses and grow its economy in the long-term. PILT directly impacts the quality of life and economic well-being of our community. Losing PILT would result in the loss of important vital services and the uncertainty at the annual Congressional appropriation cycle leaves local government budgets hanging in the balance. Counties support making full funding PILT and making it mandatory in the long-term.

Earlier this year, the legislation was reintroduced in both the House and Senate to accomplish this. The counties support passage of either of these bipartisan bills, H.R. 3043, the Permanently Authorizing PILT Act, to make PILT a fully-funded, mandatory program moving forward, or S. 2480, the PILT Reauthorization Act of 2019, to make PILT mandatory for the next ten years. Counties also strongly support S. 2108, the Small County PILT Parity Act, which creates new, larger monetary caps under PILT for counties with populations below 5,000 without affecting PILT payments to more populous counties. This is a positive step to leveling the playing field for public land counties.

Should this legislation be enacted, Wrangell Borough would see an estimated \$167,000 increase in our PILT payment. Historically, rural counties and schools have relied on a 25 percent share of receipts from timber harvest to supplement local funding for education services and roads. Over the past 30 years, these revenues have dropped considerably. SRS was developed to aid those impacted communities. Last year, Wrangell received \$986,000 in Title I SRS funding which represents nearly one-sixth of our school district's annual budget. Losing SRS would be catastrophic to our schools as timber receipts alone would only make up four percent of our SRS payment. To prevent this, counties are asking Congress to pass S. 430 which would reauthorize SRS for an additional two years.

As long-term funding solutions for SRS, counties support the Forest Management for Rural Stability Act, S. 1643. This bipartisan bill would create an endowment fund to make permanent SRS payments and eliminate their annual five percent reduction. The bill would also create flexibility in the use of SRS funds to achieve our mutual forest health and economic development goals. Counties hope Congress will act on this legislation soon.

Again, thank you for the opportunity to share Wrangell Borough's perspective on PILT and SRS. Counties are depending on Congress to meet this federal obligation to our communities by supporting vital funding for emergency personnel, infrastructure, school teachers and other public services. We ask you to act to protect and improve these essential programs in the Fiscal Year 2020 Appropriations package and in the long-term.

Thank you.

[The prepared statement of Mr. Prysunka follows:]



Written statement of

The Honorable Stephen Prysunka
Mayor
Wrangell City and Borough, Alaska

On behalf of the National Association of Counties

Full Committee Hearing on SRS and PILT, and to Receive Testimony on Pending Legislation

Before the
U.S. Senate Committee on Energy and Natural Resources

November 21, 2019
Washington, D.C.

Chairman Murkowski, Ranking Member Manchin and distinguished members of the Committee, thank you for holding today's hearing to examine federal payments to local governments provided through the Payments in Lieu of Taxes program and the Secure Rural Schools and Self Determination Act, as well as for inviting me to testify today on behalf of the National Association of Counties (NACo) and the nation's 3,069 counties.

My name is Stephen Prysunka and I am the Mayor of the City and Borough of Wrangell, Alaska. Wrangell is located in Southeast Alaska between Ketichkan and Juneau. If you have ever taken a cruise to Alaska you likely steamed right on by our island community. Although I represent our municipal government I also bring a warm greeting from the Wrangell Cooperative Association. Shtax'heen Kwaan tribal government represents 740 native residents. We work closely with the tribal government to collaborate for the benefit of all community members.

Our borough has a population of roughly 2,500 residents. We are actually the third largest city by area in the entire nation. Our borough is 3,477 square miles—or about 1.63 million acres. To put this into perspective, Washington, D.C. would fit 50 times over into our borough. More than 97 percent of our borough's land mass is owned by the federal government.

Congress plays a key role in guiding the management of our nation's 640 million acres of federal public lands. Approximately sixty-one percent of counties nationwide have federal land within our boundaries, and federal policies pertaining to these lands have a direct impact on the quality of life and economic wellbeing of our local communities.

I know very well the challenges public lands and national forest counties face as we seek to provide our residents and visitors with essential services in the face of strict revenue and budgetary constraints. My testimony today offers the local perspective on PILT, SRS and specific legislation that would improve these programs that matter so greatly to public lands counties.

The Payments in Lieu of Taxes (PILT) Program

PILT is an important pillar of federal support for county governments and our efforts to provide needed services to local communities, and we strongly urge Congress to provide full mandatory funding for the program.

For more than 40 years, PILT has provided payments to counties and other local governments to offset losses in tax revenues due to the presence of substantial acreage of federal land in our jurisdictions. Since local governments are unable to tax the property values or products derived from federal lands, these payments are critical to support essential government services (mandated by law), such as first responders and emergency services, transportation infrastructure, law enforcement, education and

healthcare in nearly 2,000 counties in 49 states, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands.

The vast swaths of untaxable federal land in many of these counties leave a sizable portion of our revenues subject to appropriations from Congress. On top of this limited tax base, counties face additional limitations on our ability to raise revenue, including state restrictions on our ability to levy or raise taxes. In fact, 45 states limit counties' ability to raise revenue.

Despite these limitations, counties are still required by law to provide services to both our residents and to the millions of Americans who visit our public lands every year. While tourism and recreation can be beneficial to local economies, counties must deal with the costs for the extra law enforcement, infrastructure, search and rescue, and road maintenance requirements that come with it.

PILT Funding Remains Uncertain

After PILT's creation, annual program funding levels remained static for many years. For nearly two decades, counties watched the value of their PILT receipts drop due to inflation. In 1995, an amendment to the PILT formula adjusted annual authorization levels for inflation, helping to stabilize the value and impact of the program. However, PILT remains a discretionary program that is subject to the annual appropriations process, creating a great deal of uncertainty for counties as we work to develop and implement our budgets every year.

In FY 2018 and 2019, PILT was extended with full, mandatory funding under the annual omnibus appropriations bills. Counties appreciate the efforts of the Committee leaders and membership to secure these much needed funds to help meet our governing missions. Similar funding language has been included in FY 2020 Interior Appropriations bills in both chambers of Congress. However, Congress could easily change this full funding trend at any time, and leave public lands counties with large budgetary deficits to make up overnight.

PILT matters to the City and Borough of Wrangell, Alaska

Over 97 percent of Wrangell City and Borough is federally owned. Last year, for the nearly 1.6 million acres of PILT entitlement land within our county's borders, the U.S. Department of the Interior paid Wrangell approximately \$470,000, or about twenty-nine cents per acre. These PILT dollars are used for everything from road maintenance to fire protection and other emergency services. It is vital that our county receives this money to provide county services to residents. Additionally, Wrangell Borough relies on these funds to maintain and improve the critical infrastructure that any community needs to attract businesses and grow its economy in the long-term.

Should Congress reduce Wrangell Borough's PILT payment, emergency services will likely be the first to suffer. In a large, rural county, our first responders often travel great distances to assist residents and

visitors. If we were forced to reduce police, fire, or EMS personnel or cut back on equipment purchases, there could be life and death consequences for Wrangell Borough residents.

By fully funding the PILT program, Congress can reaffirm its longstanding commitment to public lands counties and provide them with the stability they need as they seek to implement their own balanced budgets while continuing to provide essential public services. We need a strong and reliable federal partner to provide budgetary certainty and stability for the nation's counties.

That is why counties support two key pieces of legislation to provide this long-term certainty to counties: H.R. 3043, the Permanently Authorizing PILT Act, which would make PILT a fully funded, mandatory program moving forward. We thank Congresswoman Ann Kirkpatrick of Arizona sponsoring this bipartisan legislation. Counties also strongly support Senator Ron Wyden's S. 2480, the PILT Reauthorization Act of 2019, which would make PILT a fully funded, mandatory program for the next ten years. We ask Congress to move these key bills as soon as possible.

While the U.S. Senate and the U.S. House of Representatives may approach legislative solutions for funding the PILT program differently, NACo will continue to urge leadership on both sides of the aisle to act in a spirit of bipartisan and bicameral cooperation to develop a fiscally responsible, long-term and sustainable legislative solution to fully fund PILT in FY 2020 and beyond to eliminate the ongoing funding uncertainty currently facing public lands counties.

Small County PILT Parity Act

Rural public lands counties face the combined fiscal pressures of smaller tax bases caused by large tracts of untaxable federal lands within their jurisdiction and the limitations of fewer residents and businesses producing tax revenue. Under the current PILT formula, monetary multiplier limitations increase as population decreases but the increase in the multiplier cuts off at 5,000 people. This leaves counties with fewer than 5,000 residents at a disadvantage, as their per-person monetary multiplier limitation is stuck at the same level as a county of 5,000.

Counties support legislation sponsored by Sen. Steve Daines, S. 2108, the Small County PILT Parity Act, which will create new, larger monetary multiplier limitations for counties with populations between 1,000 and 4,000 so that these smaller counties receive additional resources. It will put rural communities in a better place, without affecting the PILT payments to any county with a population of 5,000 or higher. This is a significant positive step for ensuring equitable payments to public lands counties. Counties ask that Congress act on this legislation as swiftly as possible to put rural communities on a more level playing field.

Counties above 5,000 in population generally have a greater ability to cope with funding limitations, restrictions on property tax increases imposed by the vast majority of state governments and

fluctuations in natural resources market values and the revenues shared from their development on federal lands. However, in most instances, smaller counties have aging populations, lower average household incomes, higher percentages of federal land within their jurisdiction and are more subject to the economic impacts of the resource development economy. The Small County PILT Parity Act gives more assurance of consistent non-tax revenue to these local governments.

Should S. 2108, be enacted, an analysis by Headwaters Economics showed it would only increase the cost of PILT nationwide by around 1 percent, while increasing PILT payments to 55 counties in 14 states. Wrangell City and Borough would see an increase of \$167,000 in our PILT payment based on FY 2018 data. In a small community of only 2,500 people, this is a significant increase for our borough government to provide services to our residents.¹

The Secure Rural Schools (SRS) Program

The Secure Rural Schools (SRS) program, administered by the U.S. Forest Service and Bureau of Land Management, aids rural counties and school districts affected by the decline in revenue from timber harvests on federal lands. Historically, rural communities and schools have relied on a share of receipts from timber harvests to supplement local funding for education services and roads. Counties urge Congress to renew its long-standing commitment to forest counties by extending SRS and increasing revenue sharing through active forest management.

To compensate for lost revenue from federal forest ownership, in 1908, Congress and the president enacted legislation requiring the U.S. Forest Service to share 25 percent of timber revenues from federal forests with the counties in which those forests lie. Historically, forest communities and schools, particularly in rural areas, have relied on this share of receipts from timber harvests to supplement local funding for education services and roads.

However, in recent decades, national policies substantially diminished the revenue-generating activity permitted in our nation's forests. The result was a steep decline in timber sales, which in turn decreased the revenues that rural counties and school districts received from forest management activities. The "25 percent payments" to counties by the U.S. Forest Service were rendered insufficient to cover the costs of providing services to residents and public lands visitors. Communities like mine saw their timber industries decimated, which not only reduced the revenues we received from production on our national forests, but also reduced economic growth and tax revenue.

In response to this revenue decline, the Secure Rural Schools and Community Self-Determination Act was enacted in 2000 (P.L. 106-393) to stabilize payments to counties and to compensate for lost revenues, and has been reauthorized on several occasions, most recently for FY 2017 and 2018. In FY

¹ <https://headwaterseconomics.org/public-lands/county-payments/pilt-proposal/>

2018 alone, SRS provided \$257 million to over 700 rural counties, parishes and boroughs across the nation, as well as 4,000 school districts. These payments helped ensure that students received crucial education services, and supported county road maintenance, conservation projects, search and rescue missions and fire prevention programs, among other essential services. Unfortunately, Congress has yet to reauthorize SRS since the final payments were sent to county governments in the spring of this year. Senator Mike Crapo has introduced legislation, S. 430, to reauthorize SRS for an additional two years. Counties ask Congress to include this reauthorization bill in a final, end of year spending package.

The expiration of SRS will create dramatic budgetary shortfalls for counties if Congress fails to renew this long-standing federal obligation to county governments. Enactment of a sustainable long-term program to share revenues generated from the management of federal lands with forest counties and schools will ensure that students receive essential education services and rural communities have critical funding for roads, conservation projects, search and rescue missions and fire prevention programs.

The Forest Service is expected to distribute historic “25 percent payments” for this year, but these payments have been on average, over 80 percent lower than full payments under the SRS program and are not nearly enough to cover the services we provide. If SRS is not quickly reauthorized, to balance our budgets local governments will again be forced to make sweeping cuts to the services on which our residents and visitors rely.

Impact of SRS lapse on the City and Borough of Wrangell and Alaska

In FY 2018, Wrangell Borough received \$1,160,682 in SRS payments. If the program is not reauthorized, from timber harvest receipt sharing we would receive some \$45,152—a 96.2 percent decrease.² Statewide, Alaska would face a 95 percent cut.

But that is only part of the story, because PILT and SRS are intertwined under the PILT funding formula. This formula includes in its calculation a reduction for other prior year federal land payments, including SRS. Therefore, counties that receive SRS funds get a lower PILT payment than they would otherwise be entitled to.

If Congress does not reauthorize SRS, many rural counties receiving PILT payments could face reduced payments because the previous year’s SRS payments would no longer be deducted under the PILT formula. This would completely change the PILT funding calculation from the U.S. Department of the Interior, potentially leaving the same amount of PILT funds to effectively cover both programs. Counties would be fighting for slices of a smaller pie. Congress has avoided this pitfall by making PILT funding mandatory over each of the past two fiscal years and reauthorizing SRS but if Congress did not ensure both programs are protected, public lands counties would face major reductions in their PILT payments.

² Based on FY 2017 1908 Act payment figures—the most recent data available

Should Congress fail to reauthorize SRS and fully fund PILT, the City and Borough of Wrangell would face a \$1.1 million loss in combined SRS and PILT funding. \$79,000 of that would be deducted from our PILT payment. Alaska would see a statewide reduction in PILT of \$3.4 million, based on FY 16 data. Meanwhile, Oregon, the state consistently receiving the lion's share of SRS payments, would have a sudden increase in PILT eligible acreage. While the federal government would increase its share of PILT payments by \$15.4 million, Oregon would still face a drastic \$87.2 million cut in SRS funds. This comparatively small increase in PILT payments would come directly from states like Alaska, but would not come close to meeting either state's needs.

This scenario is unsustainable, and will lead to severe reductions in all levels of public services. County governments and residents will bear the brunt of inaction in Washington, and we will pay for it in lost services and laid-off personnel.

S. 1643, the Forest Management for Rural Stability Act

The lapse in SRS funding leaves local governments and schools vulnerable, forcing schools to reduce activities and the number of teachers inside classrooms, while county governments must forego repairing or paving roads or decrease the number of law enforcement personnel. These necessary decisions negatively impact educational and economic opportunities in rural communities.

Counties are pleased that Sen. Ron Wyden has introduced the Forest Management for Rural Stability Act (S. 1643). This bipartisan legislation would create an endowment fund to make permanent, mandatory SRS payments and eliminate their annual five percent reduction. The bill would also create flexibility for counties in the use of SRS funds to achieve mutual forest health and landscape conservation goals shared by federal agencies and local communities. S. 1643 would also ensure that Refuge Revenue Sharing payments would not be subject to the annual appropriations cycle, providing even more stable payments to county governments nationwide.

Counties hope to see Congress take up S. 1643 soon to ensure long-term, sustainable funding to national forest counties and schools.

Conclusion

Chairman Murkowski, Ranking Member Manchin and members of the Committee, thank you for the opportunity to share Wrangell Borough's perspective on behalf of our nation's counties. We commit to continue working with you to develop and pass legislation to ensure the full funding of the Payments in Lieu of Taxes program and reauthorization of the Secure Rural Schools program until a permanent solution is agreed upon. County residents are depending on Congress to act to ensure that vital funding is in place for emergency personnel, infrastructure maintenance, schoolteachers, and other public services. We ask you to act to protect both of these vital programs in a final FY 2020 appropriations package and in the long-term.

Mayor Stephen Prysunka, before the Senate Committee on Energy and Natural Resources

The CHAIRMAN. Thank you, Mayor.
Mr. Rowley, welcome to the Committee.

**STATEMENT OF ALLEN ROWLEY, ASSOCIATE DEPUTY CHIEF,
NATIONAL FOREST SYSTEM, USDA FOREST SERVICE**

Mr. ROWLEY. Good morning and thank you. Madam Chairman, Ranking Member and members of the Committee, thanks for inviting me here today. I hope my testimony and that from the rest of the panel will help you with some ideas for a durable solution to this problem. I'll focus my testimony on implementation of SRS and give you some views from the Department of Agriculture on Senate bill 430 as well as Senate bill 1643.

The history piece, many of you know, but as a reminder—soon after the creation of the Forest Service in 1908 Congress passed the Twenty-Five Percent Fund Act to compensate local governments for those lands that were under National Forest System management that were not eligible for property taxes, and that was 25 percent of the gross receipts earned off of those lands for activities like timber sales, grazing, mining, recreation activities, et cetera. The money was dispersed to the state who then would disperse it to counties at their discretion.

In the 1980s there was a significant drop in timber sales, particularly in California, Oregon and Washington which led to the reduced and wildly fluctuating payments that previous panels members have mentioned. To address that concern, Congress provided some safety net payments for counties in California, Washington and Oregon from 1994 to 2003. And those safety nets were, again, higher than the 25 percent of the gross receipts. In 2000, Congress created the Secure Rural Schools and Community Self-Determination Act, or SRS. Approximately 74 counties chose to remain under the 25 percent gross receipts. More importantly, 744 counties chose to participate in the larger full payment under SRS.

To give you an example of how SRS is deployed. If I turn to Fiscal Year 2018, approximately \$225 million was paid to states to distribute to counties in 2018. If that were applied as the 25 percent fund nationwide, it would have been, 20 percent of that amount would have been available to counties, as many of you have already commented in your opening remarks.

I would like to say that in addition to the higher and more predictable payments under SRS, there's another piece of that under Title II that has great value, setting up Resource Advisory Committees, or RACs, under the Federal Advisory Committee Act, what I describe as diverse, local, grassroots, citizens-based committees to engage in National Forest management decisions and influence on the allocation of additional funds for active forest management, projects like road improvements, campground improvements, range improvements, noxious weed treatments and timber sales that are supported by and recommended by the citizens. It's not a random project the agency had identified, it's work the community wanted to see happen. This collaboration and engagement with the citizens has been a great benefit to all those involved. I do want to mention that the work to maintain Resource Advisory Committees that meet all the requirements of SRS has been work for us. We can talk about that later, if you'd like.

Turning to Senate bill 430, USDA recognizes the contribution of SRS payments and revenue sharing with counties and the positive impact that's had on local governments. We are interested in sharing. The Federal Government can fulfill its role being a good neighbor to local communities as we work to continue to ensure efficient and effective management and a term from the West, being a neighbor is, in fact, a verb. It's not a noun. It's that working with the community.

If the SRS payment authority is extended through two years as proposed in Senate bill 430, we look forward to exploring with you potential changes on the administrative process like streamlining the RAC memberships to keep them all functional and looking for ways to increase flexibility to counties and how they receive the funds.

Turning to Senate bill 1643, we are also supportive of the effort and source to find stable funding. While these were not in the Administration's proposal, we would like to continue to work with you and local stakeholders to develop a stable program into the future and address those same administrative challenges I mentioned earlier.

Thanks, and I look forward to further discussion with all of you.
[The prepared statement of Mr. Rowley follows:]

TESTIMONY of
ALLEN ROWLEY, ASSOCIATE DEPUTY CHIEF
NATIONAL FOREST SYSTEM
UNITED STATES DEPARTMENT OF AGRICULTURE—FOREST SERVICE
BEFORE THE
UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES
NOVEMBER 21, 2019
Concerning
REAUTHORIZATION OF THE SECURE RURAL SCHOOLS PROGRAM

Madam Chairman, Ranking Member and Members of the Committee, thank you for the opportunity to appear before you today to discuss the reauthorization of the Secure Rural Schools program. My testimony today will focus on implementation of the program by the Forest Service as well as the views of the United States Department of Agriculture (USDA) regarding S. 430 and S. 1643. Because management of the Payments In Lieu of Taxes (PILT) program is the responsibility of the Department of the Interior (DOI), we defer to their testimony for discussion of matters regarding PILT payments.

OVERVIEW

Since 1908, when Congress enacted what is commonly known as the Twenty Five Percent Fund Act (16 U.S.C. 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 within states. The “25 percent payments” were distributed 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, recreation special uses, other land use fees, minerals, and grazing.

In the late 1980s, the 25 percent payments began to decline significantly and fluctuate widely. This was largely the result of a significant decline in timber sales, particularly in western states. The declines and fluctuations created hardships for local officials charged with providing services to communities near the national forests. To address this concern, Congress provided “safety net payments” to counties in California, Oregon, and Washington for fiscal years (FYs) 1994 to 2003. The safety net payments were enhanced payments structured to decline annually and 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 (SRS) and Community Self-Determination Act in 2000 (P.L. 106-393), the SRS Act, to establish safety net payments through 2006. The SRS Act directs that Title I funds be used to fund county schools and roads. It further directs that Title III funds may be used on county projects, including (1) to carry out activities under the Firewise Communities program (2) to reimburse the participating county for search and rescue and other emergency services, including firefighting and law enforcement patrols (3) to cover training costs and equipment purchases directly related to the emergency services previously described in clause (2); and (4) to develop and carry out community wildfire protection plans.

The SRS Act also provides choices to counties for funding resource improvement projects on the national forest where the county is located. Title II funds are used by the Forest Service to carry out projects in eligible counties to further protection, restoration, and enhancement of fish and wildlife habitat, and other resource objectives consistent with the purposes of the SRS Act on Federal land, and on non-Federal land where projects would benefit the resources on Federal land. Title II funds are used for active forest management projects such as road maintenance, trail maintenance, invasive weed control, restoration of wildlife habitat, and streams and watershed improvements. These projects often provide opportunities to promote youth and volunteer engagement in our national forests and grasslands.

SRS Act payments were most recently reauthorized by Congress for FY 2017 and FY 2018 under the Consolidated Appropriations Act, FY 2018 (P.L. 115-141). Earlier this year, the Forest Service issued payments to states for FY 2018 under the SRS Act. The SRS payments were sent to 41 states and the Commonwealth of Puerto Rico and distributed to 742 counties to fund schools and roads. With SRS Act payment authority currently expired, the Forest Service will still make payments to states under the 1908 Twenty Five Percent Fund Act, at significantly lower levels, although many of the counties currently benefitting from SRS payments will see an increase in their payments from the Department of the Interior under PILT, as occurred in FY 2018 following a one-year lapse in authorization for SRS payments.

SECURE RURAL SCHOOL RESOURCE ADVISORY COMMITTEES

Title II of the SRS Act established Resource Advisory Committees (RACs) to recommend projects that improve existing infrastructure, implement stewardship projects, and restore and improve forest health. Currently, there are 102 RACs across 41 states and over 700 counties. RACs are an important asset to our rural communities, supporting collaborative work on our National Forests; including projects that increase active management, strengthen forest health, reduce wildfire risk, and improve access to the lands on which these communities rely.

The USDA filed a new charter for the RACs on October 17, 2019, and the Forest Service is taking steps to reduce timeframes for vetting nominations and to provide additional outreach resources and training to all SRS RAC points of contact. We are working to recruit members for the RACs by taking full advantage of Section 8702 of the Agriculture Improvement Act of 2018 (P.L. 115-334) (the Farm Bill), which modified the requirements for RACs to reach a quorum by lowering the members required to reach a quorum to not fewer than nine members. In June, the Forest Service issued a Federal Register notice seeking nominations for RACs pursuant to the SRS Act in accordance with the changes in the 2018 Farm Bill.

In addition, the 2018 Farm Bill directed the Forest Service to conduct a pilot program for Regional Foresters to appoint RAC members in Montana and Arizona. Using this pilot program, the Forest Service has already filled 9 of the 12 RAC vacancies in Montana and 2 of the 4 RACs in Arizona.

To provide better customer service, the Secretary approved the recommendation by the Forest Service to consolidate 13 RACs down to 5 RACs in the most recent national RAC charter. These consolidations occurred in six states including California, Colorado, Utah, Washington,

Wisconsin and Wyoming. These consolidated RACs will be better able to efficiently implement the Act.

S. 430

S.430 would authorize SRS payments to states for FY 2019 and FY 2020, instead of payments under the 1908 Twenty Five Percent Fund Act. S.430 also extends the deadline for RACs to propose Title II projects to September 30, 2022. The Forest Service would be required to obligate Title II project funds by September 20, 2023. Similarly, S.430 extends the deadline for Title III projects to be initiated to September 30, 2022, and for funds to be obligated to September 30, 2023.

USDA recognizes the contribution that SRS payments and revenue sharing with counties has made to the fiscal condition of local governments. The Administration has not proposed reauthorization of SRS payments as proposed by the sponsors of S. 430. We have concerns related to the cost to the Treasury of SRS reauthorization. We are committed to fulfilling our role of being a good neighbor to local communities and will work to continue to ensure efficient and effective management of the program. We also look forward to working with Congress and state and local stakeholders to increase active management and timber development on National Forest System lands, improve the health of our nation's forests, and ultimately create a more sustainable future for our forests and local governments in timber country.

The Forest Service has concerns regarding the requirements for RACs found in the SRS Act. In particular, Section 205 indicates that RACs and charters established before September 29, 2018 must meet the requirements of the Act. This suggests that committees or charters established after this date are not considered to be filed for purposes of the SRS Act. Since new RACs are occasionally formed through consolidation of existing committees or as new charters are signed, the legislation is not inclusive of all RACs or recent charter activity.

As currently authorized, the SRS Act requires an eligible county that received a share of the SRS formula payment greater than \$100,000 to allocate a portion of its payment for titles II and III each year. However, since the SRS payments for FY 2013, these elections have been locked in by subsequent reauthorizations. S. 430 also locks in the county allocations. The Forest Service periodically receives requests from counties to change their allocations, as some county's preferences have changed over time and because the authorized uses of Title III funds also have changed.

If SRS payment authority is extended for two years as proposed in S. 430, we look forward to exploring potential changes to the administrative provisions implementing the Act, including the lengthy RAC member nomination process, in order to enhance community involvement and program delivery under Title II.

S. 1643

S.1643 seeks to provide a stable source of funding for SRS payments to States. USDA generally supports the goal of providing more stability and predictability for payments to forest counties. However, as with S. 430, we have concerns about the cost to taxpayers of SRS reauthorization and would like to work with Congress and state and local stakeholders to increase active

management and timber development on National Forest System lands. In addition, if SRS were to be reauthorized, we have concerns about the impacts associated with the repeal of Title II and the reduced ability to apply such funds to accomplish projects that benefit communities and improve the condition of National Forest System lands.

Section 2(a) of S. 1643 would add a new chapter to title 36, United States Code, that establishes a federally chartered, nonprofit corporation to oversee a Natural Resources Permanent Fund (Fund) that also is established by the bill. The corporation would manage, invest, and distribute payments to states and counties, as calculated by the Secretary.

Starting with the payment for FY 2019, the bill would change the type of elections that counties would make. Under the SRS Act, counties made elections to receive either a share of the State's formula payment, as calculated under section 101(a), or a share the State's 25-percent payment. Counties electing a share of the State formula payment were required to use 80 to 85-percent of their distributive shares for the purposes in the Title I and were to allocate the remaining amounts to Title II for projects on national forests lands, to Title III for county projects, or to both. The county payment elections and allocations have been "locked in" since FY 2013.

Under the bill, the counties would elect to opt-in to the payment made by the Corporation or opt-out. The opt-in payment would be the county's adjusted share of the State's formula payment calculated using a new formula. The opt-out payment would be a share of the State's 25-percent payment to be paid by the Secretary. The county's allocation of the opt-in payment would be set by the bill: 85 percent of distributed funds each year would go towards Title I purposes (schools and roads) and the remaining 15 percent would be applied towards Title III purposes. Title III funds would encompass a broad range of new uses including forest health projects, economic development activities, and projects approved by a RAC. No funds would be allocated for Title II projects and that Title would be repealed.

The bill would require the Forest Service, on a county-by-county basis, to report information regarding timber sales, volume sold, road work, reforestation and several other related activities. Reporting at the county level would be a significant administrative burden and expense given current reporting is organized by Forest Service unit (e.g., district, forest, region, Washington Office). In addition, any reporting at the county level would be based on estimates rather than actual accomplishments.

Section 4 amends the SRS Act. The amendments would change the formula for calculating the State payment under section 101(a) of the Act and would continue to require the Secretary to calculate the formula payment but would reflect that the State formula payment would be made by the Corporation from the Fund. Additionally, section 4 would repeal Title II of the SRS Act. USDA supports offering a broad range of stakeholders the opportunity and incentive to collaborate regarding decisions that affect the public lands that are important to their communities, and we continue to improve the RAC process through our implementation of the Farm Bill amendments. USDA supports maintaining the strong capacity to advance locally developed active management projects that benefit national forest lands.

CONCLUSION

Since 2000, the SRS Act has provided payments to eligible states and counties to help stabilize funding for public schools, roads and other local needs. In addition, Title II and Title III projects, have provided employment in rural communities, created a forum for community interests to participate collaboratively in the selection of natural resource projects on the national forests, and assisted in community wildfire protection planning. The Administration looks forward to continuing its efforts to work with Congress and state and local stakeholders to increase active management and timber development on National Forest System lands, improve the health of our nation's forests, and ultimately create a more sustainable future for our forests and local governments.

Thank you for the opportunity to discuss this program with the Committee.

The CHAIRMAN. Thank you, Mr. Rowley.

Ms. Flanagan, welcome and thank you for joining the Committee this morning and allowing us to go from the local here to the Department. So thank you.

**STATEMENT OF DENISE FLANAGAN, DIRECTOR OF BUDGET,
U.S. DEPARTMENT OF THE INTERIOR**

Ms. FLANAGAN. Thank you.

Good morning, Chairman Murkowski, Ranking Member Manchin and members of the Committee, thank you for the opportunity to testify on behalf of Interior's federal lands payments programs and the three bills pending before the Committee. My name is Denise Flanagan. I'm the Director of the Department of the Interior's Office of Budget, and my office manages the Payments In Lieu of Taxes program, or the PILT program, for the Department of the Interior. Interior, through the Bureau of Land Management, manages a small portion of the payments made under the Secure Rural Schools Act; however, the U.S. Forest Service manages the majority of that program.

My remarks today will focus on the PILT program which is an important way for the Federal Government to be a good neighbor to local communities across the country. The program compensates local governments, recognizing the non-taxable federal lands within their boundaries. Counties have the flexibility to use PILT payments for any governmental purpose depending on the laws of the individual states. PILT funds often pay for essential public services such as firefighting and police protection, construction of public schools and roads and search and rescue operations. Since the program began in 1977, Interior has distributed approximately \$9.2 billion in PILT payments to counties. In 2019, Interior sent \$515.7 million in PILT payments to more than 1,900 counties across the country.

The PILT law provides specific direction for calculating PILT payments based on qualifying acreage, population and prior year revenue payments. Each year we work with states and local governments to update this information. We coordinate across Interior's bureaus with the Forest Service and other federal agencies to ensure that we have accurate data on acreage on which to base the payment. We also work closely with states to ensure we have the correct amounts of prior year revenue payments retained by counties. We're audited on this data annually, and we work closely with the counties to inform them of any changes to the process and post information about the payments publicly to ensure transparency. We also work individually with the states and counties to answer any questions and to seek clarification as we review the submitted payment information.

Funding for PILT has varied as mandatory and discretionary funding. The original authorization provided mandatory funding for full calculated payments from Fiscal Year 2008 to 2012. After that, funding authority has either been extended on a year-to-year basis or in Fiscal Year 2015 as a combination of mandatory and discretionary funding or as discretionary appropriations in Fiscal Year '16 and '17. The Fiscal Year '18 and '19 programs were funded as an extension of the authorization for full program funding in the

Interior and Environmental Appropriations bill. Both the House and Senate marks for Fiscal Year 2020 continue this approach.

In light of pending Congressional action on Fiscal Year 2020 funding, Interior anticipates making PILT payments this Fiscal Year. Depending on the timing of Congressional action, we will work to make the Fiscal Year 2020 PILT payments by June 30th, as we have in prior years.

Today the Committee is considering S. 2108, the Small County PILT Parity Act. We've reviewed how the legislation would affect local governments receiving PILT payments. The legislation proposes to increase the maximum allowable payment to local governments with populations of fewer than 5,000 people. The current payment structure does not reach below the 5,000 population mark. Assuming the Fiscal Year 2019 information, the Department estimates the legislation would impact approximately 300 units of local government currently receiving PILT payments. The current legislation is estimated to increase total annual PILT payments by approximately \$2 million. Should Congress choose to adopt the population dollar value table contained in Senate bill 2108, the Department will manage the PILT program in accordance with the law.

This concludes my oral statement. Again, thanks for the opportunity to join you today. I'm happy to answer any questions.

[The prepared statement of Ms. Flanagan follows:]

**Statement of Denise Flanagan
Director of Budget
Department of the Interior
Before the Senate Committee on Energy and Natural Resources**

**On the Payments In Lieu of Taxes (PILT) Program and the
Secure Rural Schools and Community Self-Determination Act Program**

November 21, 2019

Chairman Murkowski, Ranking Member Manchin, and Members of the Committee, I am pleased to have the opportunity to testify today on the Department of the Interior's Payments in Lieu of Taxes (PILT) Program, on the Secure Rural Schools (SRS) program, and on S. 2108, the Small County PILT Parity Act. The Department defers to the U.S. Forest Service for testimony about S. 430, a bill to extend the Secure Rural Schools and Community Self-Determination Act of 2000, and S. 1643, the Forest Management for Rural Stability Act of 2019.

Payments In Lieu of Taxes (PILT)

The Payment In Lieu of Taxes (PILT) Act (P.L. 94-565) was passed by Congress in 1976 to provide payments to local governments in counties where certain Federal lands are located within their boundaries. PILT is based on the concept that these local governments incur costs associated with maintaining infrastructure on Federal lands within their boundaries but are unable to collect taxes on these lands; thus, they need to be compensated for these losses in tax revenues. The payments are made to local governments in lieu of tax revenues and supplement other Federal land receipts shared with local governments. The Department has distributed approximately \$9.2 billion dollars in PILT payments to 49 States (all but Rhode Island), the District of Columbia, Puerto Rico, Guam, and the U.S. Virgin Islands since these payments began in 1977.

We know counties and other local jurisdictions rely on PILT payments to support critically important services and programs. Counties have the flexibility to use PILT payments for any governmental purpose, depending on the laws of individual States. Funds are often used to pay for essential services such as firefighting and police protection, construction of public schools and roads, and search-and-rescue operations.

The annual PILT payments to local governments are computed based on the formula contained in the law which is based on population, certain revenue-sharing payments, and the number of acres of Federal entitlement land within each county or jurisdiction. PILT payments are made in addition to other Federal payments to States, such as energy royalties and timber receipts.

Federal entitlement lands include lands within the National Forest and National Park systems, those managed by the Bureau of Land Management, those affected by U.S. Army Corps of Engineers and Bureau of Reclamation water resources development projects, and certain other Federal lands. The formula for calculating PILT payments considers the amount of certain Federal lands payments received by the county or local jurisdiction in the preceding year. These

payments result from Federal revenue generating programs (such as receipts from livestock grazing, timber harvesting and certain mineral leasing activities), which the Federal Government makes to the counties using formulas in authorizing laws such as the Mineral Leasing Act.

Prior to FY 2008, PILT was funded through discretionary appropriations, at a fraction of the full authorized payment levels under the PILT formula. From FY 2008 – FY 2012, full funding for the PILT program was provided under a mandatory authorization. Full funding was provided through one-year extensions in FY 2013 and FY 2014. In FY 2015, the program received a combination of mandatory and discretionary appropriations and in FY 2016 and FY 2017, discretionary funding was appropriated for the program.

In FY 2018 and FY 2019, the program was fully funded through a provision in the Interior Appropriations bill, extending authorization of the underlying law. The FY 2019 payments totaled \$515.7 million and were made to more than 1,900 local units of government (mostly counties) in 49 States, the District of Columbia, Puerto Rico, Guam and the U.S. Virgin Islands. The President's Budget for FY 2020 includes \$465.0 million to continue to support PILT payments to local governments. Pending the timing of Congressional action, the Department will work to make FY 2020 payments by June 30th, consistent with previous years.

S. 2108, the “Small County PILT Parity Act”

S. 2108 would amend the PILT Act to increase the maximum allowable payment for local governments with low population. The legislation would replace the existing population dollar value table and provide specific dollar multipliers for population caps under 5,000. It also directs the calculation for counties with populations of 999 and under to use the highest population dollar value in the table (i.e. \$254.40 instead of \$186.56 at 2019 inflation levels). Based on the FY 2019 payment information, the Department estimates S. 2108 would impact approximately 300 counties and increase the total PILT statutory calculation by approximately \$2 million. Should Congress choose to adopt the population dollar value table contained in S.2108, the Department will manage the PILT program in accordance with the law.

Secure Rural Schools

The Bureau of Land Management (BLM) manages its portion of the Secure Rural Schools (SRS) program in concert with the U.S. Forest Service, pursuant to P.L. 106-393, as amended. The BLM administers the SRS payments for nearly 2.4 million acres of BLM-managed public lands located in 18 western Oregon counties, known as the “O&C counties,” and the U.S. Forest Service makes payments to counties in 41 states. The Department of the Interior defers to the U.S. Forest Service to discuss matters regarding activities on their lands.

O&C County Payments

The Secure Rural Schools Act built upon the foundation laid in 1937 with the Revested Oregon and California Railroad Act (O&C Act) and in 1939 with the Reconveyed Coos Bay Wagon Road Grant Lands Act (CBWR Act). Under the O&C Act and CBWR Act, the 18 O&C counties receive yearly payments equal to 50-75 percent of receipts from timber harvested on public lands in specific counties.

Starting in 1991, payments 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. Congress enacted “safety net payments” to stabilize income flow to timber-dependent counties in 1994 (P.L. 103-66). Subsequently, in 2000, Congress enacted the Secure Rural Schools and Community Self-Determination Act (SRS). The SRS allowed O&C counties to elect to receive a payment equal to the average of the payments received under the O&C and CBWR Acts in the three years of highest payments between 1986 and 1999, in lieu of their payments under the O&C and CBWR Acts. The formula for calculating SRS payments has changed several times since the initial law was enacted. Under SRS, the States receive funds to be distributed directly to the counties (Title I), and elect how to allocate the remaining funds between Title II projects (administered by the BLM), Title III projects (administered by the counties), or returned to the Treasury.

Most recently, in March 2018, SRS was reauthorized as a part of the Consolidated Appropriations Act of 2018 (Public Law 115-141) to issue payments for 2017 and 2018. This reauthorization also extended the date by which Title II and Title III projects must be initiated to September 30, 2020, and the date by which Title II and Title III funds must be obligated to September 30, 2021. These deadlines apply to all unobligated funds under the current reauthorization as well as the previous authorization.

We understand the importance of the SRS funds to western Oregon counties to support county projects and local schools. For FY 2018 payments issued in FY 2019, BLM provided approximately \$30.1 million in SRS funds to O&C counties. Of this amount, \$2.5 million was available under SRS Title II. These funds are used to implement special restoration projects on Federal lands approved by Resource Advisory Committees.

Over the years, SRS projects have provided trail maintenance, culvert replacement or removal, soil improvement, vegetation/density management, wildfire hazard reduction, stream channel enhancement, control of noxious and invasive weeds, and opportunities for youth training and employment.

Payments required by the O&C Act and CBWR Acts are essential to O&C counties and help offset county timber and tax revenue not generated by federally-managed forests. The counties use these funds for county services such as law enforcement, road maintenance, health services, schools, libraries, and other county services.

Conclusion

The Administration is interested in ensuring the Federal government can fulfill its role of being a good neighbor to local communities. The Administration recognizes the impact of PILT and SRS payments on local governments, which use these funds for critical functions such as local search and rescue operations, road maintenance, law enforcement, schools, and emergency services. These expenditures often also support local services needed by tourists and other visitors who recreate on Federal lands. The Department will work to continue to ensure efficient and effective management of these programs.

Chairman Murkowski, this concludes my prepared statement. I would be pleased to answer any questions that you or the other Members may have.

The CHAIRMAN. Thank you, all. We appreciate the testimony and now the opportunity to go back and forth with questions.

Ms. FLANAGAN, I want to start quickly with you because there is this linkage between PILT and SRS which, I think, is oftentimes either misunderstood or not even recognized. Can you explain the linkage there? It is my understanding that if SRS payments are not reauthorized, that PILT payments are impacted. Can you explain how those PILT payments would then be impacted if SRS is not reauthorized?

Ms. FLANAGAN. Certainly.

You're absolutely correct. If SRS is not reauthorized, we would expect the PILT payment calculation to increase and that is because the SRS payments are a deduction under the prior year payments for the PILT program.

The CHAIRMAN. So because they are a deduction. One of the things that we talk about here is the certainty to communities in terms of not only what you will receive, but when you will receive it. So there would be further uncertainty in terms of the amount that counties or communities would receive if we don't appreciate the linkage between the two accounts, between PILT and SRS.

Ms. FLANAGAN. Absolutely. For example——

The CHAIRMAN. Go ahead.

Ms. FLANAGAN. Yes, for example, the expiration of SRS in Fiscal Year 2018 doesn't impact the Fiscal Year 2020 PILT payment and the reason that is is because the authorized payment for SRS was made in 2019. But payments made under SRS in one year, they're deductible under the PILT program in the following year.

The CHAIRMAN. So we have PILT that will be paid out, you said, in June 2020. If we fail to reauthorize SRS now, what is the impact on the 2020 payments?

Ms. FLANAGAN. The 2020 payments will not have any impact.

The CHAIRMAN. It would be the——

Ms. FLANAGAN. It would be the 2021 payments that will have an impact.

The CHAIRMAN. I understand. Okay.

Ms. FLANAGAN. It will be expected to increase.

The CHAIRMAN. I understand that.

Let me go to you, Mayor Prysunka, and this also speaks to the uncertainty because you mention that with the SRS payments that come to Wrangell, it is one-sixth of the school district's annual budget.

Mr. PRYSUNKA. That's correct.

The CHAIRMAN. If we are in a situation where we go back to the 25 percent rule which is something that we really have not talked about here today, but I think we need to because that is where it takes us back if we don't reauthorize. What do you do with your school district? When do you make the decisions about whether or not you have the resources to bring back the art teacher or the music teacher or the counselor or what you are going to be doing with extracurricular activities? Can you just speak about the real-world impacts of this type of uncertainty that would be a huge kick to your overall budget?

Mr. PRYSUNKA. Certainly.

Well, one of the things that happens is we try to renew the teachers' contracts in a timely manner because in Alaska, teachers, sort of, do a shuffle. There's a big shuffle. And if we are uncertain about our funding it creates uncertainty for how many teachers we're going to be able to afford. And of course, we're always going to err on the side of the extracurricular activities and non-core items, but it makes it difficult for us to lock down our teachers moving forward with the contracts going into the following year. So it's always nice if we know the funding is there and we're able to move forward.

One of the things that happens in a rural setting is that we don't have the opportunities that an urban center has. So by that, I mean, if—my children went through public school in Wrangell. It's what we have and, you know, for example, the dance lessons. That's through the school. There's no private dance club, so it's an after-school activity for kids to do. The sporting activities, there's no other options for sporting activities in our community. Everything is run through the school. So if we lose those extracurricular activities because we don't have the funding to move forward, those opportunities are lost. We can try to do some pickup through the city parks and rec program, but those activities are gone.

But the biggest thing for us is certainty with our teachers. We want to be able to let them know early that they're going to have contracts for the following year and we know how to hire moving forward, that we don't want to hire positions that we're not going to be able to fund moving into the next school year. And as you know, moving in and out of the villages, out of the communities, it's difficult. And it takes time to go and recruit and to bring new teachers down into the community. So it has a huge impact on our school system.

The CHAIRMAN. Well, I thank you for that. I think, as we appreciate the significance of the actual dollars and what they mean, timing with regards to these programs and the certainty of payout to the communities is also critically important because once that teacher makes the decision to leave, it is pretty hard, as you say, to get them back. Thank you for that.

I will turn to Senator Wyden now.

Senator WYDEN. Thank you, Madam Chair and, again, Madam Chair, thank you for having this hearing.

I want to just pick up on where we are, kind of, looking back and then looking forward. So in this room we wrote Secure Rural Schools. It has done a lot of good, but clearly there are areas where we have to do better. I mean, when people tell me hey, we like this because otherwise we would have had three days of school, I say, great, but aren't you still having problems with your roads and your law enforcement and you have still got challenges having foreign languages or after school programs? So we have to do better. In particular, we have to get rural communities off this roller coaster where they just have to wait, kind of like the perils of Pauline, to the last minute trying to figure out if they are going to have money to fix their road and the like.

So where we are is, we are going to have to figure out how to get Secure Rural Schools for another couple of years at least and we have to lock that down because without that safety net all the

problems that Mr. Dilley and all of you have talked about will get even more serious. So that is priority business number one.

Then what we want to do, starting today, is flesh out this endowment kind of approach. I just want to tell you what Senators Crapo, Risch, Merkley and I have introduced. This would be a permanent endowment fund so that you would have money for schools and roads and basic services. The Congress would make an initial investment into the fund. The principle gets invested and the interest is used to make the county payments for these essential services. Because of the initial seed money provided by the Congress, at no time would county payments drop below the 2017 levels and that has been important to counties as well. We have worked with the National Association of Counties, of course, on this.

As I talked about earlier, we are multiple use people on this, you know, the Committee. We understand protecting special places, but we are for multiple use as well and we want to see the safety net grow. So the legislation deposits forest revenue sharing payments into the endowment each year to increase the county payments. So, in effect, as the forests are more appropriately managed and as timber harvests grow, so too will payments to the counties.

So what is this all about? Stable, reliable funding, no more roller coaster and a continued commitment to the link between forest management and the economic vitality of rural counties across the country.

Now I mentioned that we have to have Secure Rural Schools, that we get the endowment in place, but I want to ask you, Mr. Rowley, so the record is clear about the question that Senator Craig and I were confronted with when we got this program off to the races and that is, the Administration understands that there will be no compromise of environmental values, no breach of the federal environmental laws; federal environmental laws, as we envision it in an endowment approach—and we will, of course, continue to work with the Administration on this—is a bedrock requirement and you all understand that and are supportive of it.

Mr. ROWLEY. Thank you for that history and absolutely so. There's nothing in this bill that would even begin to suggest we should vary from complying with the National Environmental Policy Act, the Endangered Species Act, Clean Water Act, Clean Air Act or any of those other laws that are asking for environmental protections. That is a totally separate issue and not tied to this funding conversation. So thanks for asking.

Senator WYDEN. Very good, and I think my colleagues may also want to get into this. We always, at home, have this debate between coupling and decoupling the county payments. I think the Chair and I have talked about this over the years and revenue sharing. What the endowment proposal has sought to do working with the counties is to try to find a, kind of, perhaps more nimble way, sometimes people want to call it elegant, I will settle for nimble, way to increase payments to counties without directly coupling it to revenue sharing. It is a way to, kind of, transcend all of the complications associated with it and you all have made it clear.

In fact, I will just go down the row. Does anybody have any problem—I have my time expiring—protecting the language that ensures that bedrock environmental laws are going to be continued

as we try to go forward with a modernized, kind of, forestry stool, as I have described it. Let's just go down the row. Any problem?

Ms. FLANAGAN. No.

Senator WYDEN. Good. Mr. Rowley has already said yes and I think the local communities and the National Association. Alright.

Madam—Mr. Recorder, let it be noted that we have asked explicitly at this first hearing with respect to the endowment of the agencies, of the local communities of something that has been always, kind of, controversial when we have talked about this in the past.

I want to thank all of you for your cooperation. This is going to be a thoroughly bipartisan effort. It was in creating the predecessor of it, and now we are, kind of, updating the stool.

Madam Chair, I look forward to working with you. We have worked on this a long time, and under your leadership I think we have an opportunity to really modernize what we are doing to help the communities.

The CHAIRMAN. Well, we are looking for a long-term solution, so thank you for your guidance on this.

Senator WYDEN. Thank you.

The CHAIRMAN. Senator Gardner.

Senator GARDNER. Thank you, Madam Chair, and thank you to the Ranking Member for this hearing today. Obviously these programs are incredibly important to so many of my Colorado counties and constituents throughout the state. In fact, 56 of Colorado's 64 counties receive PILT payments from the Department of the Interior to offset the non-taxable, federal land within those counties. That amounted, in 2019, to just under \$40 million that was being distributed to Colorado counties. So a big chunk of change. The last payments under the now expired SRS formula distributed by the Forest Service earlier this June meant to counties containing National Forest received a share of over \$11 million. We have co-sponsored legislation, many of us on this Committee, a bill by Senator Crapo that is reauthorizing or being discussed to reauthorize SRS.

Every year I sign letters along with so many of my colleagues to leadership and appropriators urging them to fully fund PILT and to reauthorize SRS. But when I go to communities, they have that uncertainty when they are putting their budgets together. They don't know what they can tell the sheriff's office. They don't know what they can tell other partners within the county governments about what is going to happen to their county budgets. We have to think about these ideas that so many on this Committee have talked about today, longer-term solutions that will provide certainty to counties and reinforce the Federal Government's commitment to them for these public lands that we, indeed, all share, because the federal land is not going to go anywhere and neither is the obligation that we owe to the counties containing it.

So I was proud to join Senator Wyden as an original sponsor of the PILT Reauthorization Act that would extend the program's authorization through 2029 and get out of this one- or two-year funk that these counties face and creates so many problems for them.

I know Senator Daines talked about some of his counties. I want to talk about one in Colorado, Hinsdale County, Colorado, for a little minute. It is a great example of why I am happy to be an original co-sponsor of the Small County PILT Parity Act that Senator

Daines is leading. Hinsdale County is located in the South-southwest area of Colorado. It has three different national forests within it. It has the Rio Grande National Forest, the San Juan National Forest and the Grand Mesa, Uncompahgre and Gunnison National Forests, so GMUG. The size of the county is approximately 1,120 square miles. It ranks 40th out of 64 counties in the state for land area. That is still a big, 1,120 square miles, but it is only 40th out of 64 counties in the state in terms of land area. It has a population of less than 850 people. It is the least densely populated county in the state, it is one of the most remote areas in the Lower 48 states and it is just magnificent in its beauty.

For comparison sake, Rhode Island is slightly smaller than Hinsdale County, slightly smaller than Hinsdale County, but it has a population of over one million people. Hinsdale County should have two United States Senators. The big difference is that 95 percent of the lands in Hinsdale County is federal land, 95 percent. So under the proposed bill Hinsdale's PILT program would go up, the payment would go up, but let's talk about what they got in terms of 2018 for context about why the program is important and why that matters to counties with a federal footprint. Hinsdale County received about \$143,000 from PILT and \$67,000 from SRS. Their overall income as a county in 2018 was about \$6 million. In the context of a \$6 million budget, the chance of a swing of a couple hundred thousand dollars, thousands of dollars actually, would be extremely impactful.

I have been told by a previous county commission there that between 40 and 50 percent of the county's road and bridges budget comes from these programs. This is a county that if you ever take the Alpine Loop in Colorado, you are going to go through part of Hinsdale County. One of the issues they were dealing with off of our federal lands this year was a high number of avalanches that they dealt with—they had to dig out this stretch of the road, that was primarily the county's responsibility, so that 100,000+ visitors a year could enjoy the Alpine Loop all from this federal land.

So while the cost of the bill is estimated at \$2 million, that might seem small in terms of Washington talk or pencil dust here, but it can have a huge impact on these sparsely populated counties and I hope that we can do something on this because those federal funds make up such a huge portion of our county budgets.

Mr. Rowley, a quick question for you. Stewardship goals of land management at agencies like the Forest Service, how are they affected with the uncertainties in PILT if a county is not aware of how the PILT dollars, SRS dollars are going to come through?

Mr. ROWLEY. So in terms of our stewardship obligations in land management, I'll say that good neighbor authority contracts and stewardship contracts aren't added into that 25 percent fund calculation. So that's an issue we'd be happy to work with you on in terms of finding other solutions. A lot, we find great community support for our projects which means they move quicker with less objections when we use good neighbor authority or stewardship contracting. And so that's a great tool for us and we recognize that impact on the back end, and we'd be happy to work with you on finding a different solution there if you were interested.

Senator GARDNER. Thanks.

And then one quick question on Resource Advisory Committee vacancies, the Farm Bill Pilot Program that allowed regional forester authority to approve applications to fill vacancies. We have anecdotal evidence that where that authority has been granted, we have those vacancies filled on the RACs. Is that something that you see greater utilization of or the ability to get more positions filled on the RACs?

Mr. ROWLEY. So in the 2018 Farm bill, with help of many of you, we have the pilot programs in the States of Montana and Arizona. In Montana, we were able to get Resource Advisory Committees, 9 of 12 that were suffering without a quorum to get filled. Arizona, 2 of 4. In some cases, we were able to move within 60 days through the administrative process. Moving decisions closest to the point of implementation is often, makes things faster and that looks like a wonderful tool for us to leverage.

Senator GARDNER. Thank you very much. Thanks, Madam Chair.

The CHAIRMAN. Thank you, Senator Gardner.

Senator Heinrich.

Senator HEINRICH. Thank you, Madam Chair.

I think we all, or at least those of us on the Committee from Western states, really understand how important this is that we reauthorize and fund SRS. But I also think we are, sort of, approaching this from the hand we have been dealt, you know, we have 122-year-old Organic Act now. I think it is helpful to, sort of, step back and realize that the question we are really trying to answer is, in the 21st century, how do you connect directly, economically, the values and services that America wants and needs from its public lands and its national forests with the economic vitality of the rural communities that live and work in those places?

Our metrics from 100 years ago, rightfully so, were all about board feet. This country was built on wood. There was a time when wood was energy as well as what built everything. Today our country is valuing different metrics from our national forests. We need clean water production, whether that is for salmon or irrigation or for the cities, cities like Albuquerque that get their drinking water and the water that creates their economic development opportunities from national forests ranging from Southern Colorado to all across Northern New Mexico.

We should be valuing carbon sequestration in those forests. And we should be valuing wildlife-friendly, fire-resistant forests that generate the kind of recreational opportunities whether that is hunting or fishing or whatever, that Americans all across this country are spending billions of dollars on every year. Then we need to figure out how do we make sure that counties who live and work in these places actually get the benefits of that value because that is not happening today. SRS is an attempt at that, but I think we would all recognize that we are not doing justice to our rural communities today.

So I just think it is helpful to take a step back and think about what do we want from our public lands in the 21st century and how do we make sure that the communities that can produce those things directly have a stake in the economic benefits of that?

Mr. Rowley, in your testimony you mentioned that the Administration has not proposed reauthorizing the Secure Rural Schools

program. Does that mean that the Administration opposes reauthorizing the program?

Mr. ROWLEY. I would take that as a signal that managing the whole country and the federal estate, the Administration is trying to set some priorities and pick some high leverage moves for themselves.

Senator HEINRICH. Okay.

Mr. ROWLEY. And so, I defer back to the Committee on how your voice may come into the room in terms of priorities.

Senator HEINRICH. I just want to bring this down to reality with respect to one county again, and a lot of us have used counties for examples in all of this. Catron County in New Mexico received \$2.7 million from SRS last year. I think that was money well-deserved and well-spent. Their 25 percent payment, if they had only received funds based on forest receipts would be less than \$107,000. If we don't reauthorize SRS this year, that is an immediate cut of 96 percent for Catron County.

If you look at New Mexico as a whole, an end to SRS would cost my counties in the state nearly \$9.5 million, or a 92 percent immediate cut. So, you know, this idea that we are going to use additional timber sales to make them somehow harmless is not credible. If you look at what it would take in New Mexico alone to hold New Mexico counties harmless without SRS, it would require a 1,200 percent increase in commercial timber harvest.

Mr. Rowley, is that even a realistic or credible number?

Mr. ROWLEY. Well, your math is credible. Let me reflect, it's hard to imagine a 1,200 percent increase in the level of timber harvest on the Gila National Forest.

Senator HEINRICH. Yes, we don't have the mills to do it or the workforce. I do think we need to live in the world of and reality today and then think about how do we restructure these things to really benefit these communities in the long run.

Thank you.

The CHAIRMAN. Thank you, Senator.

Senator Daines.

Senator DAINES. Chair Murkowski, I would first like to ask unanimous consent that the letters of support that I have from the National Association of Counties, from the Montana, Nevada and New Mexico Associations of Counties and others be included in the record.

The CHAIRMAN. They will be included.

Senator DAINES. Thank you.

[Letters of support follow.]



Date: November 20, 2019

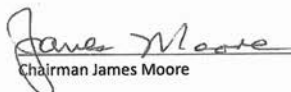
Dear: Senator Steve Daines:

Judith Basin County PILT funding

In response to the proposal for increased PILT funding for small counties the Judith Basin County Commissioners are very much in favor of this proposal.

The PILT dollars are critical to our budget due to the large amount of forest lands and our minimal tax base. Over the years we have been able to purchase gravel, Road Graders, State Lands R-O-W Easements and make major building improvements without having to place the total financial burden on our local taxpayers.

Sincerely yours,


Chairman James Moore


Commissioner Cody McDonald



Montana Association of Counties

Serving Montana Counties Since 1909

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 (406) 449-4360 Fax (406) 442-5238
www.mtcounties.org

United States Senator Steve Daines
 320 Hart Senate Office Building
 Washington DC 20510

November 20, 2019

Re: Payment in Lieu of Taxes and SB 2108

Senator Daines:

The Montana Association of Counties applauds your effort to address the current inequities of the Payment in Lieu of Taxes (PILT) formula. Specifically, your introduction of Senate Bill 2108 providing for a more equitable distribution of payments to low population counties has the potential to benefit 21 Montana counties with a population under 5,000.

Our membership continually prioritizes the full funding of PILT as a cornerstone of our public lands policy platform. The full MACo membership, consisting of all 56 Montana counties, has adopted two specific policy statements on PILT:

MACo calls for full funding of federal payments for Secure Rural Schools (SRS), Payment in Lieu of Taxes (PILT), Taylor Grazing, and Refuge Revenue Sharing programs to counties.

MACo supports the full funding of the PILT program and Refuge Revenue Sharing at its yearly authorized level and believes that all federal holdings should be included in the program.

As you well know, our formal advocacy for PILT payments results in regular and frequent visits to your office encouraging your support for full funding. Our Executive Committee has evaluated Senate Bill 2108 and offers our support for this legislation in conjunction with full funding of the PILT formula as revised by your bill. Your leadership and support on this important issue is appreciated.

We thank you for your continued support and advocacy on behalf of Montana's counties.

Sincerely,

Shane Gorder - President
 Montana Association of Counties

County Commissioners

Lionor F. Maestas
Commission Chair

Veronica Serna
Commission Vice-Chair

Alfonso Griego
Member



Joy Ansley
County Manager

11/19/19

The Honorable Steve Daines
United States Senate
320 Hart Senate Office
Washington, DC 20510

Dear Senator Daines:

On behalf of Mora County New Mexico and its 4534 constituents we are writing in support of your draft legislation to create new monetary multiplier limitations under the Payment IN-Lieu of Taxes Program. It seems that smaller counties are always having to address the issue of equality when it comes to funding because as a whole, resources are focused the greatest impact of the populated areas which is understandable yet not very helpful to fulfilling the needs of the less populated counties. As a Rural county, Mora, New Mexico appreciates the work that you are doing towards rural counties receiving their fair share of PILT Funding.

THANK YOU,

Lionor F Maestas
Mora County Commissioner

P.O. Box 580
Mora, N.M. 87732
Phone (575)387-5279
Fax (575) 387-9077



November 19, 2019

The Honorable Steve Daines
 United States Senate
 320 Hart Senate Office Building
 Washington, DC 20510

Dear Senator Daines:

On behalf of the National Association of Counties (NACo) and the 3,069 counties, parishes, and boroughs we represent, I write to express support for S. 2108, the Small County PILT Parity Act. Thank you for your leadership in introducing legislation to ensure public lands counties with populations fewer than 5,000 are on a more equal footing in the distribution of Payments In-Lieu of Taxes (PILT) without negatively impacting federal payments to those counties with higher populations.

As you are aware, the PILT program was created in 1976 to offset costs incurred by counties for services provided to residents and public lands visitors alike, including law enforcement, search and rescue, health care, environmental compliance, infrastructure maintenance and other important community services. PILT provides critical payments to counties in 49 states, the District of Columbia and three U.S. territories. Rural public lands counties face the combined fiscal pressure of smaller tax bases caused by large tracts of untaxable federal lands within their jurisdiction along with fewer residents and businesses producing tax revenue. Under the current PILT formula, monetary multiplier limitations increase as population decreases but this increase cuts off at 5,000 people. This leaves counties with fewer than 5,000 residents at a disadvantage, as their per-person monetary multiplier limitation is stuck at the same level as a county of 5,000.

S. 2108 would create new, larger monetary multiplier limitations for counties with populations between 1,000 and 4,000 so that these smaller counties receive additional resources. It will put rural communities in a better place without affecting the PILT payments to any county with a population of 5,000 or higher, so long as Congress fully-funds the PILT program moving forward. This is a significant positive step for ensuring equitable payments to public lands counties.

Counties appreciate your effort to ensure rural counties receive their fair share of PILT payments. NACo stands ready to work with you to promote fair, equitable payments to public lands counties and encourages swift passage of S. 2108, the Small County PILT Parity Act.

Sincerely,

Matthew D. Chase
 Executive Director
 National Association of Counties



Nevada Association of Counties

304 S. Minnesota Street
 Carson City, NV 89703
 775-883-7863
www.nvnaco.org

Honorable Senator Steve Daines
 United States Senate
 320 Hart Senate Office Building
 Washington, DC 20150

Dear Honorable Senator Daines:

As the state association representing all 17 of Nevada's counties, the Nevada Association of Counties (NACO) would like to express our support for your draft legislation to create new monetary multiplier limitations under the Payment In-lieu of Taxes program (PILT). We appreciate your leadership on this matter. Nevada counties range in population from just over 900 (Esmeralda County), to approximately 2.2 million (Clark County). With over 86% of Nevada's land owned by the federal government, it is crucial that the PILT formula be modified to ensure equal footing for counties with populations below 5,000 while not impacting payments to larger counties.

The PILT program was created in 1976 to offset costs incurred by counties for services provided to residents and public lands visitors. These services include, but are not limited to, emergency services, transportation infrastructure, law enforcement and health care. Rural public lands counties have a smaller tax base as a result of large tracts of untaxable land, as well as fewer residents and business producing tax revenue. Under the current PILT formula, monetary multipliers do not increase for counties under 5,000. As a result, a county with fewer than 5,000 people would receive the same amount under the PILT formula as though their county had more than 5,000. In other words, those counties are treated as though they have the same tax revenue as a larger county.

Your legislation will create new, larger monetary multiplier limitations for counties with populations between 1,000 and 4,000 people so that these smaller counties receive additional resources. Importantly, it will not affect payment to larger counties, so long as PILT continues to be fully funded. Nevada's counties support passage of this draft legislation and believe it marks a positive step ensuring equitable PILT payments.

Thank you for your consideration. If you have any questions, please do not hesitate to contact me at dstapleton@nvnaco.org, or by phone at (775) 883-7863.

Respectfully,

A handwritten signature in blue ink, appearing to read "Dagny Stapleton".

Dagny Stapleton
 Executive Director



November 19, 2019

The Honorable Steve Daines
United States Senate
320 Hart Senate Office Building
Washington, DC 20510

Dear Senator Daines:

On behalf of the New Mexico Counties (NMC) Board of Directors and 33 counties in New Mexico, we wish to express our support for your legislative initiative to create new monetary multiplier limitations under the Payments In-Lieu of Taxes (PILT) Program. We value your leadership in introducing legislation to ensure public lands counties with populations fewer than 5,000 are on a more equal footing in the distribution of PILT payments without negatively impacting federal payments to those counties with higher populations.

As you are aware, PILT is a critical appropriation for New Mexico's most rural counties. PILT provides much needed support for law enforcement, search and rescue, health care, environmental compliance, infrastructure maintenance and other important community services. Rural public lands counties face the combined fiscal pressure of smaller tax bases caused by large tracts of untaxable federal lands within their jurisdiction along with fewer residents and businesses producing tax revenue. Under the current PILT formula, monetary multiplier limitations increase as population decreases but this increase cuts off at 5,000 people. This leaves counties with fewer than 5,000 residents at a disadvantage, as their per-person monetary multiplier limitation is stuck at the same level as a county of 5,000.

In New Mexico, a change to the multiplier would be particularly beneficial to the following counties:

County	Population	Current PILT
Catron	3,578	\$ 668,680.00
De Baca	1,781	\$ 115,087.00
Guadalupe	4,341	\$ 168,101.00
Harding	655	\$ 124,430.00
Hidalgo	4,240	\$ 726,660.00
Mora	4,506	\$ 278,093.00
Union	4,118	\$ 159,796.00

Retrieved from www.census.gov based on July 1, 2018 estimates

444 Galisteo Street
Santa Fe, NM 87501

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Your legislation will create new, larger monetary multiplier limitations for counties with populations between 1,000 and 4,000 so that these smaller counties receive additional resources. It will put rural communities in a better place, without affecting the PILT payments to any county with a population of 5,000 or higher, so long as Congress fully-funds the PILT program moving forward. This is a significant positive step for ensuring equitable payments to public lands counties.

Counties appreciate your effort to ensure rural counties receive their fair share of PILT payments. New Mexico Counties stands ready to work with you to promote fair, equitable payments to public lands counties and encourages swift passage of your legislation to adjust monetary caps for smaller population communities.

Sincerely,

Mark Cage
NMC President

Steve Kopelman
Executive Director

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Senator DAINES. Ms. Flanagan, if my bill was passed into law tomorrow, how would small counties benefit?

Ms. FLANAGAN. Small counties would benefit because the bill is the Small County Parity Act, and so it provides a different table for us to use to calculate PILT. And so small counties of populations under 5,000 will receive, would receive additional funds.

Senator DAINES. I have eight counties that fit that criteria today in Montana. Of course, the other 48 counties have a very important question. And that is, if PILT is fully funded, would you please confirm that my bill would have no effect on counties with more than 5,000 people?

Ms. FLANAGAN. Yes. Yes——

Senator DAINES. That is correct.

Ms. FLANAGAN. ——assuming Fiscal Year 2019 information, what this does is change the variable for counties under 5,000. It does not impact the variables——

Senator DAINES. But it does not take away from the larger counties?

Ms. FLANAGAN. Correct.

Senator DAINES. Thank you.

I want to also comment on my support for Secure Rural Schools as well. Like PILT, SRS is extremely important for our rural forested counties and I believe we need to extend the program again. While I am very open-minded to the legislation creating an endowment fund for forested counties, I believe the very best way to provide these counties long-term certainty is to increase active forest management on our national forests to bring back these mills and these jobs that have been lost because of difficulties managing on our federal forests.

I have and will continue to push for sensible, bipartisan reforms that will increase forest management, including addressing the chronic litigation that we see, particularly in Montana and other places out West, from fringe groups and accelerating also environmental review. We need to speed this process up. I applaud the Trump Administration for taking decisive steps to restore active management.

Mr. Rowley, on a related matter, the Forest Service has identified the infamous Cottonwood decision as a continued barrier to timely forest management, particularly relating to the new information trigger under the Endangered Species Act. Can you speak to your concerns about recent litigation involving new information claims and why the Forest Service believes Cottonwood imposes a crippling paperwork burden without advancing conservation goals?

Mr. ROWLEY. Thank you, Senator, for your questions and your comments. This single decision opens the door for other folks to file carbon copy complaints against National Forest System management standing on the ground of new information. And I would just ask, so when does that stop? We make a decision on today and tomorrow we might learn something new and there are groups that would say, oh, that's something new, new information, you should go back and do it over again, the project and the analysis. Since the Cottonwood decision we've received numerous carbon copy lawsuits or complaints about our activities that are slowing us down substantially.

Senator DAINES. How big a deal is the Cottonwood decision and how that affects active forest management?

Mr. ROWLEY. I think there is, the number, I believe, was in excess of 30 different complaints that are following that pattern. Currently, there's a complaint that involves the Idaho panhandle of the Kootenai and the Lolo National Forests that has us, had us, stop active timber sales to back up and answer the complaint. They were sales that were awarded, and we stopped operations. That's a direct and real impact as we work through litigation. That's an example.

Senator DAINES. Thank you. Thank you, Chair Murkowski.

The CHAIRMAN. Thank you, Senator.

Senator Cortez Masto.

Senator CORTEZ MASTO. Thank you, Madam Chair, Ranking Member Manchin, for holding this hearing.

I cannot stress enough how important PILT and SRS are to the State of Nevada. Over 80 percent of the land in Nevada is owned by the Federal Government, and a majority of that is the BLM. I will tell you there are 17 counties in the State of Nevada that rely on PILT and receive PILT funding and 14 of them receive SRS funding.

Let me jump back, there are several counties where 90 percent or over 90 percent of the land is owned by the Federal Government. I do appreciate my colleague from New Mexico, Senator Heinrich, and his comments here. How do we look at, in this day and age, how do we address that economic impact and should we be looking at other ways of bringing and allowing these counties to partake in more of that economic impact? The Federal Government has to be a good steward and work with our counties. And that is why I do support S. 430 to extend the Secure Rural Schools and Community Self-Determination Act, and I am co-sponsoring S. 2108, the Small County PILT Parity Act, as well.

But something I think is really important for the public and those who may be watching to understand is I have been here for three years now, and I have watched as this Administration has either cut or zeroed out funding for these programs. I cannot thank enough Chairwoman Murkowski and the leaders in Congress who keep putting the money back in, recognizing how it is so important for communities across this country. I need to stress that.

Ms. Flanagan, can you talk a little bit about what the impact to PILT funding will be in the future if SRS is not reauthorized? I know Chairwoman Murkowski talked a little bit about this. Can you talk some more about that, if you would?

Ms. FLANAGAN. Certainly. If SRS is not reauthorized then the overall PILT payment calculations will increase in the future. And the reason—

Senator CORTEZ MASTO. Will increase or will not increase?

Ms. FLANAGAN. Will increase.

Senator CORTEZ MASTO. So if SRS is not authorized PILT will increase?

Ms. FLANAGAN. Yes, PILT will increase.

Senator CORTEZ MASTO. Okay, why is that?

Ms. FLANAGAN. PILT will increase because SRS is, under the statute, one of the prior year deductions in calculating PILT. So,

for example, for Fiscal Year '20 the expiration in Fiscal Year '18 of SRS the payments were made in Fiscal Year '19 and so in the Fiscal Year 2020 PILT calculation those SRS payments are part of the prior year deductions in calculating PILT.

Senator CORTEZ MASTO. So it is safe for me to go back to my counties to say if SRS is not reauthorized, in the future your PILT payments will increase?

Ms. FLANAGAN. Generally, PILT payments will increase.

Senator CORTEZ MASTO. Will it increase to cover the loss that they will receive from not receiving the SRS payments?

Ms. FLANAGAN. PILT variables, there's four key variables: acreage, federal acreage; population; prior year payments and in the prior year payments there are several federal payments that are named in the PILT Act, including Secure Rural Schools, Mineral Leasing Act, National Forest Fund and Taylor Grazing; and then inflation also impacts the variables. So those four variables, we gather that information every year and then that's how we calculate the PILT payment. So we're not able to do a direct comparison but generally if SRS goes down, PILT payments will increase.

Senator CORTEZ MASTO. It will go up.

Is it possible some of the counties may see an increase in PILT, but not enough to cover the loss from the SRS? Lack of reauthorization?

Ms. FLANAGAN. That's possible.

Senator CORTEZ MASTO. Okay. I would love to sit down with you and kind of get a sense of that for the future and the impact to my counties. Thank you for being here.

Ms. FLANAGAN. Sure, we're happy to do that.

Senator CORTEZ MASTO. I appreciate that.

Mr. Rowley, you talked a little bit in your testimony about exploring potential changes to the administrative provisions implementing S. 430 including the lengthy RAC member nomination process. I would love to hear a little bit more about that and the concerns about the current RAC nominations process, what changes you would propose making and how those changes might improve the RAC recommendations?

Mr. ROWLEY. Thank you, thank you for the question.

I think the shortest way to describe it, so far, the pilot authority that was in the 2018 Farm Bill for Arizona and Montana is a great model. We've been able to move through the identification of additional RAC members, the vetting and their certification to serve, in one case, in less than 60 days as opposed to now, again, think of that, my model I would share with you, the farther the decision away is from implementation, the longer it takes. And so, providing regional foresters the authority, they are much closer to implementation to staff and decide on those RACs, looks like a high leverage move for us.

Senator CORTEZ MASTO. So you would support adopting what was piloted in the Ag Bill across—

Mr. ROWLEY. Exactly. And then also could include, should include, adjustments to the mathematical quorum in cases like a county in your state like Nye County or White Pine County where, I don't know the exact population, it might be hard to find all the positions identified on Secure Rural Schools. The process in the

Farm Bill allows us to change the quorum when a county or a RAC goes through the effort to recruit all those members and is not successful, we can shrink the size of the quorum and that might have great utility in some of those counties in Nevada.

Senator CORTEZ MASTO. Yes, that sounds reasonable to me. Thank you again for being here. I so appreciate it.

The CHAIRMAN. Thank you, Senator.

Senator McSally.

Senator MCSALLY. Thank you, Chairwoman Murkowski and Ranking Member Manchin. I really appreciate you holding this hearing today, and thanks to our witnesses. I represent Arizona. I have been an ardent and strong supporter of both PILT and SRS since I have been in Congress, in the House and now in the Senate. In Arizona 13 of our 15 counties are rural counties and the Federal Government owns 70 percent of the land across Arizona. That makes PILT crucial for these local communities, and the over-reaching policies in the past that decimated the logging industry in Arizona and across the West is why we have SRS in the first place.

I know we have had a good discussion today already about the heavy presence of Federal Government in states like Arizona. It is not just a talking point, it affects our local communities for things like search and rescue, law enforcement, education and all that has been discussed already. For example though, Coconino County in Arizona, it is the largest by land area and the second largest in the Lower 48 county in America at 18,661 square miles. Coconino County is larger than Rhode Island, Delaware, New Jersey and Massachusetts combined, but only 13 percent of the county is private land. So they have to use the small tax base to provide essential county services like law enforcement, road maintenance, search and rescue, those types of things. So PILT is vitally important across Arizona.

Ms. Flanagan, I want to follow up. I know it has been brought up now a couple times, but I want to be more specific because we had representatives from counties in Arizona come to us recently and they believe that if somehow SRS was no longer around that their PILT payments would go down. I heard what you have said now a couple of times that it would be recalculated and PILT, in general, would go up, but PILT in general going up does not mean PILT specifically in certain regions or counties would go up.

So I just want to drill in a little more. You may not have any calculations in front of you, but they believe in Arizona that the PILT payments would go down if SRS went away. Can you clarify if there would be regional or local differences that actually would be lower than today, lower PILT?

Ms. FLANAGAN. So, in general, again, generally, for each county when we calculate PILT payments, it's based upon four variables, the acreage in the county—

Senator MCSALLY. Okay.

Ms. FLANAGAN. —you know, which can change—

Senator MCSALLY. Yes.

Ms. FLANAGAN. —from year-to-year, the population of the county which can change from year-to-year—

Senator MCSALLY. Right.

Ms. FLANAGAN. —the prior year payment deductions—

Senator MCSALLY. Okay.

Ms. FLANAGAN. —which can vary from year-to-year and then, inflation which varies from year-to-year.

Senator MCSALLY. Okay.

Ms. FLANAGAN. And so, generally, if a county receives SRS and then in the next year if the county does not receive SRS—

Senator MCSALLY. Yes.

Ms. FLANAGAN. —they would have lower prior year payments.

Senator MCSALLY. Yes.

Ms. FLANAGAN. And under the existing statute.

Senator MCSALLY. Okay.

Ms. FLANAGAN. And so, if that's the case because they would have a lower prior year payment, generally then, the PILT would increase because there would be fewer dollars of prior year payments—

Senator MCSALLY. Okay.

Ms. FLANAGAN. —that would be deducted. And so, PILT would increase.

Of course, I'm happy to look at any of the specifics of any local, you know—

Senator MCSALLY. Got it. But it may not equal PILT plus SRS for a certain county from last year if SRS went away, right?

Ms. FLANAGAN. Correct.

Senator MCSALLY. Is that fair to say? So PILT will go up, just based on no other variables like population decrease, but it may not equate to what they were getting in total from PILT plus SRS, is that fair?

Ms. FLANAGAN. Right, each individual county calculation would be different.

Senator MCSALLY. Okay. But I would love—

Ms. FLANAGAN. And for every year that would be different.

Senator MCSALLY. —to follow up more with you on this because it is important that they have understanding of implications and we do too, obviously, as we are making decisions.

Ms. FLANAGAN. Certainly. We would be happy to talk to any of them.

Senator MCSALLY. Great, thank you.

Mr. Rowley, as mentioned, SRS was supposed to be a band-aid, right? It was supposed to make up for the timber industry which was decimated by bad, overreaching policies, in my view, and we are now reaping the consequences of that with the mismanagement of our forests and the fire hazards and the impact on water and the environment and all other things that were supposed to be the intentions of some of that overreaching but was really flawed in its execution.

So, even though it was, you know, it was a band-aid, my concern would be if we get back to, with other initiatives like 4FRI and other things to better manage our forest where we can actually have a thriving timber industry again, we have to live in the world we are in. My concern would be that there might be lower payments if we were to shift back over to not needing SRS anymore because there is a timber industry, communities could actually be impacted. Can you just talk a little bit more about, as we bring industry back in and things like the 4FRI, or other initiatives you

may have in mind you want to talk about, how that would be impactful? Or do you think, just, SRS is here to stay, no matter what?

Mr. ROWLEY. Well, whether SRS is here to stay is probably your call.

Senator MCSALLY. Yes.

Mr. ROWLEY. Not mine.

I would describe it this way. Think of the Coconino National Forest that has a history. The Coconino National Forest had its own scalers stick, or scale stick, named after it in the heyday of logging. I have a hard time imagining that we would return to that level under the current societal structure. So I don't know if returning, it seems unlikely to me, I'm not a very good futurist, but I would say it seems unlikely we would return to those kind of harvest levels and those kind of timber receipts or the value of that raw material that led to the heyday of having your own scale stick on the Coconino National Forest.

Senator MCSALLY. Okay, great. Thank you.

The CHAIRMAN. Thank you, Senator.

Senator MANCHIN.

Senator MANCHIN. This will be for Mr. Dilley, if you will. I will go through this.

I have always taken my role—as you know, when I was Governor as far as financial matters—very seriously for our State of West Virginia and the taxpayers. Recently allegations reported some pretty serious abuses by county commissioners spending Secure Rural Schools funding in other parts of the country. I know Senator Wyden has introduced a bill to require the Forest Service and Bureau of Land Management to conduct more rigorous oversight of counties' use of funds.

Mr. Dilley, I know that you take your role of ensuring proper use of these funds very seriously as well. Can you describe how Pocahontas County uses the funds it receives through the Secure Rural Schools program?

Mr. DILLEY. Absolutely.

Pocahontas County, of course, the way West Virginia works is we receive our SRS after the state gets it, we receive it. Many places use their PILT money differently than the SRS funds. Of course, we need these SRS funds. We put them toward things like maintenance to our aging buildings, transportation costs, personnel that the state may not be able to fund so we have to find ways to fund these personnel, different programs for students, after-school activities, anything that they may need help with—different salaries that are for personnel that are not covered by the state but we have to have, special education requirements. All these things are what our SRS money is put toward.

The SRS still, I think, needs to be separated from PILT or at least not combined into one. I understand that generally these funds, you know, PILT could, potentially increase, but a lot of these SRS funds, these schools need them and depend on them. Our children are our future and if you're going to reestablish and grow a rural community, you need to invest in your school systems and that's what all the uses of SRS have been going to.

Senator MANCHIN. Okay.

Mr. Rowley, Ms. Flanagan and Mr. Prysunka, as we work on Senator Wyden's Forest Management for Rural Stability Act, we have a unique opportunity to improve the Secure Rural Schools program. The question is for all of you, really, but the three I just mentioned. What other aspects of the Secure Rural Schools program would you recommend improving? What can we do to improve it? I know you have talked in general about different things, but precisely, if you had one thing that could make a difference in how, what was the one thing you would do?

Mr. ROWLEY. Thank you, sir.

The one thing we would do is streamline the administrative processes, specifically around Resource Advisory Committees and how to staff them. I have a second.

Senator MANCHIN. Go ahead.

Mr. ROWLEY. My second one would be the counties are locked in to how they receive their Title I and Title III payments. And I think it would be great to give counties flexibility to make those changes rather than lock in as their business needs change over time.

Senator MANCHIN. Gotcha.

Mr. PRYSUNKA. Stability and predictability would be crucial for us in Wrangell so that we know when it's coming and we have an idea of how much we're going to receive so that we can do future planning as we move forward from school year to school year.

Senator MANCHIN. Mr. Dilley, you feel the same?

Mr. DILLEY. Yes, our one improvement would be the stability and knowing ahead of time what funds may be coming your way, that way we can aid in planning and personnel and have an idea of what our future or the next year is going to look like.

Senator MANCHIN. Let me ask you this. Knowing that you are going to go down to \$73,000 next year if we don't do something, from \$750,000 in funding—Pocahontas County, as rural and small as it is in population—how would you offer education?

Mr. DILLEY. We've already, due to the unknown, if this is going to continue or not, have lost five positions in our county that we have not hired back in our school system.

Senator MANCHIN. At what detriment to the kids? What positions?

Mr. DILLEY. These are, of course, the ones like arts, the arts programs have lost some, some special education has taken a hit as well and even just our maintenance staff. We're down to the bare minimum of what we have in maintenance and personnel. We can't afford to lose anybody else.

Senator MANCHIN. Ms. Flanagan, you heard the streamline, do you agree what needs to be done?

Ms. FLANAGAN. Yes, I'll defer to the Forest Service who runs the program on SRS.

Senator MANCHIN. Well, thank you. I mean, I think everybody here is affected by this and we are all going to do the right thing and try to make sure that you are able to operate but also have some dependability. So your input is vital to us today, really vital to us and it is timely. So, thank you, again.

The CHAIRMAN. Thank you, Senator Manchin.

Senator King.

Senator KING. First I want to thank you, Madam Chair, for inviting me to the Western States' Caucus this morning and as—

The CHAIRMAN. Delighted, you are an honorary member, you know that.

Senator KING. Thank you, thank you.

Well, I have an interesting perspective because Maine is absolutely the opposite of what we are talking about here today. Maine is the most forested state in America and over 95 percent of our forests are privately owned. So it is a completely different ecosystem in terms of the ownership patterns. What I am interested in, and I have heard Senator Risch mention this and it may be our Committee or the Agriculture Committee or some joint committee, but I am interested in data. I would like to see comparative data between privately-owned forest land and publicly-owned, particularly, federal forest land in terms of productivity growth, harvesting, because my instinct is that there is a great disparity and that a lot of the problems we are talking about of funding for these various programs would be significantly alleviated if more revenues came from harvesting on public land which, by the way, is better from an environmental point of view because growing trees absorb more carbon than mature trees and so the sustainable harvesting of forest land is actually a net plus in terms of carbon sequestration.

I do not have any questions for these witnesses, but I would suggest, Madam Chair—and the data may exist, I am not aware of it—that there be some collection of data from the U.S. Forest Service, and compare it, benchmarking, if you will. I know that there are grave differences in climate and species and those kinds of things, but to the extent we can get apples to apples comparison, I think it would be good guidance for us in terms of setting future forest practices policies in the Western states in order to alleviate this funding problem.

I am very proud of forest practices in Maine. As I say, we are the most forested state in the country. We are growing more wood than we are harvesting by a significant margin, yet we do harvest for the forest products industry and other uses on a continuing, sustainable basis and a very large percentage of our forest is certified sustainable by the various certification agencies.

I just commend that to the Chairman's consideration. I think data would really help us in telling us what direction we should be going in and are there, potentially, additional revenues to be had and jobs to be had from harvesting in the national forests as opposed to in the private forest. So that is my comment.

The CHAIRMAN. Well, I thank you for that, Senator King, and I am certain that we have access to that data. I know that anecdotally we say there is more timber that is harvested in New York on their private lands than we have seen harvested ever in all the decades of harvest on the Tongass National Forest, the largest national forest in the country, so that would be interesting to know exactly and see if we can't get some current—

Senator KING. I don't want to be here to suggest any cutting of environmental corners or relaxation of standards.

The CHAIRMAN. No, no, no. I think it is a good data point that you are asking for.

Senator KING. I just think it would be interesting to know and compare it and also compare environmental outputs and assumptions between the two patterns of forest practice, if you will.

The CHAIRMAN. You know, I appreciate that and that is something that I would be curious about as well.

Let's go to Senator Hoeven and then to Senator Cantwell.

Senator HOEVEN. Thank you, Madam Chairman.

Director Flanagan, can you discuss how the administration of PILT funds to counties helps ensure local governments have the flexibility necessary to meet their specific needs which is one of the great strengths of PILT, right?

Ms. FLANAGAN. Yes, absolutely. PILT funds can be used for any governmental purpose. And so, typically PILT funds are used for critical functions such as firefighting and police protection, construction of public schools and roads, and search and rescue operations.

Senator HOEVEN. Talk a little bit about the importance of infrastructure, pipelines, transmission lines, all those things, because as we produce more energy that generates PILT revenue which, I think, benefits everybody but in order to do that, we have to not only produce it, we have to sell it, right?

Talk about the importance of getting access to infrastructure out in rural America so that we can produce more energy and its impact relative to PILT.

Ms. FLANAGAN. Well, generally I would say I'm here to talk about the PILT program, but generally, coming from a rural state, of course, infrastructure across the state is critical for economic development as well as for the citizens of the state.

Senator HOEVEN. Right, but we can't get, we are not going to grow and expand those Payments in Lieu of Taxes if we don't, from the energy piece, if we don't have the infrastructure, right? So obviously, it is important we do it right and well but we have to develop that infrastructure, don't we, in order to continue to expand the pie and have more of those revenues that, like we talked about, benefit everybody? So that is the key, is how important that is. Go ahead and expand on that. Do you agree with that?

Ms. FLANAGAN. Alright, so generally, in the PILT Act there were federal payments that are named in the PILT Act that are used as deductions in the PILT program and those would be things like Secure Rural Schools, the Mineral Leasing Act, the National Forest Fund as well as Taylor Grazing.

Senator HOEVEN. Okay, alright.

Deputy Chief Rowley, Secure Rural Schools, how well is the program currently meeting the demands of the counties?

Mr. ROWLEY. I think that's a better question to ask my friends with local government and what we're hearing, people appreciate the stability when it operates and people appreciate the RAC, the Resource Advisory Committee, and that local engagement in influencing and setting priorities for management investments on National Forest System lands. So we receive high marks.

Senator HOEVEN. Well, that is good.

What would you suggest as reforms or improvements? What are the things you could do to be even more effective?

Mr. ROWLEY. So, two things I've talked about. I'm happy to explore other ideas with all of you. Two under, maybe it's driving with the rear-view mirror, but nonetheless, it's what we see now. Streamlining the identification and selection of members to fill positions on the Resource Advisory Committee, and secondly, allowing counties to flex their selection between Title I and Title III funds. Right now, it's locked in and has been for a while. Needs for the counties change. Title I, then III had different constraints on it. It'd be great to give counties flexibility on that. That feels like a good place for us to start.

Senator HOEVEN. Same question for our other two witnesses and the Honorable—I would pronounce your last name, but I would probably muff it.

Mr. PRYSUNKA. That's okay. We'll give you a by on my last name, it's Prysunka.

Senator HOEVEN. Tell me what it is.

Mr. PRYSUNKA. It's a tough one. It's phonetic. Prysunka.

Senator HOEVEN. One more time.

Mr. PRYSUNKA. Prysunka.

Senator HOEVEN. Prysunka.

Mr. PRYSUNKA. Yeah.

Senator HOEVEN. Okay, that is good.

Mr. PRYSUNKA. Okay.

Senator HOEVEN. I have it now.

Mr. PRYSUNKA. Good.

I think flexibility with the Title II RAC funds would be most appreciated because we are in a constant state of flux with the, where we need to place funds. But one of the things that we're experiencing in rural Alaska is our aging infrastructure and, for example, between Ketchikan, Wrangell and Petersburg, we've been stalled as per recommended years ago on our pipes which has responded negatively to our acidic soil and we've got electrolysis taking place and massive breaches in our water system—and we have a water main break probably every two weeks right now.

Senator HOEVEN. Wow.

Mr. PRYSUNKA. And, of course, combined with the drought in the state and an aging reservoir, it was very difficult for us to even meet local domestic needs.

So those are the sort of things that we have to start looking at and finding funds for and with, particularly in Alaska, state funds have dried up and there's been a lot of, sort of, downstream cuts and those cuts come to the municipality. And with limited ability to raise funds locally, we've had to find other ways to do it. So some flexibility when we have emergencies and specific issues that we'd like to, kind of, divert some funds toward projects would be really appreciated.

Senator HOEVEN. Understand. Thank you very much.

Thank you, Madam Chair.

The CHAIRMAN. Thank you.

Senator Cantwell.

Senator CANTWELL. Thank you, Madam Chair, thank you. I know we have a vote underway, and we are in the middle of it, but thank you to you and Ranking Member Manchin for holding this important hearing. I know many of my colleagues have been here and

have spoken and, to me, this is very important and I almost feel like we are so in the weeds in detail here that we just need to come up for air and just say to people that when we have a federal footprint in a state there is no revenue. We need to do something because we believe that these counties, these rural counties, are critical to our states and the management of those federal lands.

So if you want to have management of federal lands, then you have to have people that live there, you have to have hospitals, you have to have schools, you have to have roads that are paved, you have to have law enforcement. I can't wait to see what Senator King is asking for, because he will see that you get a lot of revenue from those private timber lands and for the federal land you don't get the revenue.

In my state we basically receive \$23 million in PILT payments, \$16 million in SRS payments, and these counties are home to iconic national parks, iconic national forests, federal lands. For example, Skamania in Southwest Washington is 85 percent federal land and almost the rest of the county is owned by the state or a couple of timber mills. So only two percent of Skamania County can be developed or is taxable, two percent of the county. Yet I guarantee you can go to the Skamania Lodge. It is the most beautiful place. I meet people all the time in Washington, DC, that say, oh, I went and had a conference at Skamania Lodge and you see the grandeur of the Colombia River Gorge and many great attributes and some wonderful communities and towns.

But SRS makes up 15 percent of the county's budget and these funds have to be used for emergencies to respond to things on the national forest, to support our federal employees and families. At one point we had a train accident right below Skamania on the Amtrak line. I am pretty sure people in Skamania County helped to respond to that. I am sorry, I don't think it was Amtrak, but these issues are of great importance and to me, I am most struck, I don't think this is a band-aid. I think it is an obligation by the Federal Government, and it should be met and we should not, every couple years, go "oh, well, we have to come up with a great idea to how to make this funding work." No. We should say we have a federal footprint. They do not have tax revenue. We want the communities to exist. How do we give them predictable funding?

Mr. Prysunka, what do you think that looks like from, you know, what is that, a five-year determination? What is predictable funding for a community that has to meet these obligations to help us manage our federal resources, and yet the uncertainty that we jam on them by not authorizing these programs or giving certainty? What would be most helpful?

Mr. PRYSUNKA. Well, I think you summed it up really nicely. It is an obligation, and we do not have the ability to generate funds. And so, the further out the better for us. It's very difficult to do municipal planning on a year-to-year basis, basically. And it's very difficult for us to plan for our school system and our growth, you know, with the SRS funds, but just our growth for our community.

So the further out the better. And I think I really like what you had to say about it being an obligation to these communities because we don't know what—right now we know that timber, par-

ticularly in our region, is slowed down and we've seen our mill has gone away. It's been recycled over to China and we have a parking lot now where we once had two vibrant mills doing two shifts each day, 500 workers between the mills. They're gone. And rebuilding that capacity, I don't know if that will ever happen again.

But we don't know what opportunities lie still within the forest that you're going to want to have a community there in order to be the base for that. And if even, let's look at federal employees, you know, we have hospitals and roads that those federal employees they're living in our community and working for the Forest Service. So, the further out the better. But I'll tell you, if we could get two plus years, that would be a big start for us. At least we'd have an opportunity to be able to start budgeting out to the future.

Senator CANTWELL. Yes, two years, alright, I agree. We should be able to give that predictability, two years. I think some people misunderstand, particularly in my state. I am telling you, when we had this Land and Water Conservation Fund debate and whether we were going to fund it, the number one community that came at us were hunters from Skamania County who are like, I want you to protect this land because this is where our elk hunting happens. This is where all of this is happening. Please, help us.

These communities are more vibrant and so, I just want us to own up to the responsibility and not constantly say, well, we can't come up with the funding source. The rest of the United States needs to understand. The federal footprint means a federal obligation, and we should give you predictability.

Thank you, Madam Chair.

The CHAIRMAN. Senator Cantwell, thank you.

As she has reminded us, we are 20 minutes into our 10-minute vote. So we are going to have to end the hearing, but I want to thank each of you for what you have contributed here today. I think the discussion has been good. I think you have heard very clearly from those in the Western states, the imperative of SRS, of PILT and those in the East, whether it is West Virginia or Maine, also get it and I think we have been challenged.

It is a fair question to ask about what we really want from our public lands going forward. That is a fair question from Senator Heinrich. But I think for those of us that come from these states that are heavily, heavily in the hands of the Federal Government, your ability when we say Wrangell, go out and diversify your economy, it is easier said than done. It is not just about getting the harvest up, it is other things that put in delays.

Senator Daines talked about the Cottonwood fix and how imperative that is. In New Mexico there was a federal judge who just suspended all, all tree cutting activities in New Mexico over a lawsuit involving the Mexican Spotted Owl. What I understand is it is not just the tree harvesting, it is everything from collecting firewood. We had to get a special permit to have the tree, the Christmas tree that New Mexico is hosting this year for the nation's Capitol here. They had to get a special permit in order to harvest that tree, but that was a special exemption from the court to do just that. So you know, you think about what is going on from the perspective of policy initiatives, whether in Alaska it is the roadless or whether it

is what litigation does or whether it is just we have moved into other areas of economic activity.

But these are issues that are very, very real to these communities and whether it is my little hometown of Wrangell or what goes on in West Virginia, or anywhere across the country, this is a responsibility that we have. We have to be working with you and for you.

Thank you for the time that you have given to us. Mr. Rowley, I know that we are going to follow up with you on some of the suggestions that you have made specific to the RACs. So we have some work to do together, and we look forward to doing that.

With that, the Committee stands adjourned.

[Whereupon, at 11:50 a.m. the hearing was adjourned.]

APPENDIX MATERIAL SUBMITTED

U.S. Senate Committee on Energy and Natural Resources
 November 21, 2019 Hearing: *To Examine Federal Payments to Local Governments
 Provided through the Secure Rural Schools and Payments in Lieu of Taxes Programs
 and to receive testimony on S. 430, S. 1643 and S. 2108*
 Questions for the Record Submitted to Mr. Allen Rowley

Questions from Chairman Lisa Murkowski

Question 1: S. 1643, in very brief terms, creates an endowment, to be managed by a nonprofit, to provide stable payments to counties that currently receive Secure Rural Schools payments. Please provide an estimate of the cost to seed such an endowment.

Answer: We believe the estimate requested should be provided through the Congressional Budget Office.

Question 2: In addition to creating an endowment, S. 1643 guarantees a minimum payment level, based on fiscal year 2017 Secure Rural School payment levels. If these payment levels cannot be made from either the Fund's interest or incoming timber receipts, they are guaranteed by the Treasury. Please provide estimates, based upon your estimate to seed such an endowment, as well as current and projected timber receipts, at which point the Fund, as currently written in S. 1643, would be capable of providing minimum payments for at least ten years.

Answer: We believe the estimate requested should be provided through the Congressional Budget Office.

Question 3: How much revenue has been generated by the Forest Service over the last five years under stewardship contracts and good neighbor contracts? What does this number represent as a proportion of total timber receipts? Do you anticipate that this number will grow over time, and, if so, how will this impact Secure Rural Schools payments?

Answer: Table 1 provides a summary of our cut and sold volume from Fiscal Years 2015-2019 that includes the total of convertible and non-convertible forest products. The number of sales under Stewardship Contracting has stabilized at around 30 percent of both the volume and value resulting from all timber sales and we do not expect that to change significantly. We continue to work with States, Tribes and counties to pursue projects under the Good Neighbor Authority (GNA). While an increase in projects under GNA is expected, it would be premature to predict whether the increase will be significant. We recognize the receipts from the sale of Federal timber sold under GNA and Stewardship contracts are not used to calculate the 1908 Act payments. Currently, when payments to states are made under the SRS Act, approximately 74 counties have opted to receive a share of the State's 25 percent payment. The remainder of the 744 counties elected to receive a share of the State's formula payment and are not affected by actual receipts collected.

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Table 1. Summary of Cut and Sold Volume FY 2015-2019									
	Sales	Sold (Million Board Feet)	Sold Value (\$000)	Cut (Million Board Feet)	Cut Value (\$000)	% Million Board Ft. Sold	%Value Sold	%Million Board Feet Cut	%Value Cut
All Sales									
FY15	250,160	2,873.11	202,721.03	2,543.14	162,650.91	100%	100%	100%	100%
FY16	267,386	2,946.35	186,503.10	2,536.60	165,406.08	100%	100%	100%	100%
FY17	254,972	2,921.40	212,474.48	2,596.22	178,464.70	100%	100%	100%	100%
FY18	268,618	3,196.51	227,533.69	2,797.43	188,764.92	100%	100%	100%	100%
FY19	259,567	3,271.72	186,709.51	2,556.25	166,754.98	100%	100%	100%	100%
Good Neighbor Authority									
FY17	31	92.79	1,166.00	2.43	4.84	3%	1%	0%	0%
FY18	27	89.18	1,045.39	21.38	180.64	3%	0%	1%	0%
FY19	69	182.63	5,181.39	25.54	124.05	6%	2%	1%	0%
Stewardship									
FY17	174	855.47	78,963.68	604.98	32,959.77	29%	37%	23%	18%
FY18	156	793.37	66,728.66	738.13	42,661.62	27%	31%	28%	24%
FY19	154	859.06	58,252.35	707.15	43,060.23	29%	27%	27%	24%

Question from Ranking Member Joe Manchin III

Question: During the hearing, both Senators and witnesses discussed timber harvests on National Forests. Would you provide us a table that lists each national forest, the Allowable Sale Quantity specified in its most recent Forest Plan, the quantity of timber sold from each national forest last year, and the quantity of timber harvested from each national forest last year? (If Fiscal Year 2019 data is not yet available, please simply use Fiscal Year 2018 data for the table).

Answer: We have enclosed the Cut and Sold Reports for FY2019 for each Forest, one report is summarized by State and the other by Region. Also enclosed includes a spreadsheet that combines the Forest Allowable Sale Quantity (ASQ) for each national forest and the timber volume cut and sold volumes for convertible forest products.

The ASQ data comes directly from the individual Forest Plans. It is defined as the quantity of timber that may be sold from the area of suitable land covered by the Forest Plan for a time period specified by the Forest Plan. This quantity is usually expressed on an annual basis as the "average annual allowable sale quantity." The quantity is a ceiling rather than a future sales level projection or target. (36 CFR 219.3, 1982). Data reported in this spreadsheet comes in various formats due to regional preferences. A column was added that tries to use common units for comparison purposes only.

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Cut and Sold reports show total volumes and values of all convertible forest products sold and harvested from National Forest System lands and National Grasslands agency-wide, and by organizational unit. Convertible forest products are those that we can convert the product volume units back to cubic and board feet for inclusion in the totals for a unit, e.g., products such as sawtimber and pulpwood. A separate section of the report presents only the total value of all “non-convertible” forest products. These are products that cannot readily convert into cubic or board foot volumes. Examples of non-convertible forest products include Christmas trees, mushrooms, and boughs.

The Forest Service's fiscal year (FY) begins October 1st. Thus, the fiscal year quarters end every December 31st, March 31st, June 30th, and September 30th. The reports for the quarter are generally available near the end of the month following the end of each fiscal quarter.

The Cut and Sold reports represent two distinct events—the sale of forest products and harvest or removal of forest products under the existing contracts or permits. Volume and value of forest products will not match those of forest products cut during any time period. This is because timber sold is reported as cut over the life of an individual contract which spans the course of years. In addition, adjustments to timber sales made during harvest will be reflected in the cut data, but not the sold data.

Question from Senator James E. Risch

Question: Aside from authorizing these programs, it is also important that they be properly executed. An important part of Secure Rural Schools is Title II, which allows for infrastructure and restoration projects.

I'd like to discuss with you Resource Advisory Committees, and specifically highlight one that you're familiar with from your time in the Nez Perce National Forest, the North Central Idaho RAC. This RAC has lacked a quorum for some time, preventing SRS Title II funds from being spent in one of Idaho's most rural areas. In May, the Idaho delegation sent a letter requesting this RAC be filled promptly.

It came to my attention in September, that not only did the North Central Idaho RAC still lack a quorum, but so did the Central Idaho, Southwest Idaho, and Eastern Idaho RACs, equating to nearly \$4.8 million unspent Title II funds in Idaho. Subsequently, I led 13 of my Senate colleagues in sending a letter to the Secretary expressing concern for vacant RACs, with 60% across the country lacking quorums and \$55 million nationally in unspent funds at that time.

The response from the agency was positive, but that letter was sent two months ago. Today, those four Idaho RACs still lack the quorum they need to disburse Title II funds.

Can you tell me what is causing this delay, what steps the agency is taking to meet quorums expeditiously in states that do not qualify under the Farm Bill pilot program, and when the North Central Idaho RAC and other RACs in Idaho will have a quorum?

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Answer:

The nomination packages for the North Central Idaho and Fishlake RACs were approved in January 2020 and the nomination package for the Idaho Panhandle RAC was approved in February 2020. Challenges with local recruitment and other factors have led to the delay in processing nomination packages for the remaining RACs that don't have a quorum. We will provide an expeditious review of the RAC nominations necessary to fill each quorum.

The Forest Service is actively working to recruit members for RACs by taking advantage of the 2018 Farm Bill's composition waiver authority in places where a quorum is a challenge. The agency issued a call for nominations for SRS RACs in the Federal Register this past June which was an initial step in the process for using the waiver. In cases where RACs lack a quorum, units are gathering the information necessary to substantiate a composition waiver under the authority provided by Congress.

The "Further Consolidated Appropriations Act, 2020" authorized payments to States under the Secure Rural Schools program for Fiscal Years 2019 and 2020. As part of this reauthorization, RACs now have until September 30, 2022 to nominate projects for consideration. With these new deadlines, we anticipate RACs having adequate time to recruit members and meet in order to distribute Title II funding.



Cut and Sold (New) - CUTS204R

Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 1 of 33
Run Date: 01/14/2020 08:24 AM

Region: R1, Northern Region

CONVERTIBLE PRODUCTS

**PRETIM DEFAULT STATE

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Helena - Lewis & Clark National Forest	0	29.28	63.97	.00	.00	.00	.00
Idaho Panhandle National Forest	0	1,004.50	1,857.00	.00	.00	.00	.00
**PRETIM DEFAULT STATE Sub Total :	0	1,033.78	1,920.97	.00	.00	.00	.00

Idaho

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Idaho Panhandle National Forest	2,232	59,880.03	119,552.50	4,488,562.85	72,610.34	137,659.03	7,820,363.19
Nez Perce-Clearwater National Forest	1,767	73,948.61	137,289.23	5,348,173.22	59,404.25	108,747.66	6,698,638.91
Idaho Sub Total :	3,999	133,828.64	256,840.73	9,836,736.07	132,014.59	247,356.69	14,519,002.10

Montana

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Beaverhead/Deerlodge National Forest	2,212	23,231.21	50,194.02	429,673.06	15,794.05	35,199.41	517,081.56
Bitterroot National Forest	1,360	9,547.34	21,516.17	74,643.24	5,373.92	13,047.53	117,852.37
Custer Gallatin National Forest	3,250	12,729.90	27,975.09	314,953.07	9,894.06	22,016.75	1,662,352.07
Flathead National Forest	1,836	10,145.21	22,545.11	1,048,416.16	10,345.11	23,245.11	1,368,416.16
Helena - Lewis & Clark National Forest	3,763	41,497.42	94,115.34	919,451.19	27,676.78	65,539.68	1,479,366.64
Idaho Panhandle National Forest	1	163.20	272.00	16,208.00	163.20	272.00	16,208.00
Kootenai National Forest	1,590	86,227.52	188,055.75	5,855,322.85	90,671.15	178,350.99	7,154,578.44
Lolo National Forest	2,019	50,167.24	102,472.39	2,023,040.77	60,104.09	120,603.07	2,223,363.58
Montana Sub Total :	16,203	274,168.66	542,883.95	13,402,089.39	228,367.08	473,444.57	12,100,926.37

South Dakota

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Custer Gallatin National Forest	0	161.49	337.76	.00	1,063.76	2,224.30	6,593.56



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
 Filter: All Sales, All Sales

Page: 2 of 33
 Run Date: 01/14/2020 08:24 AM

Region: R1, Northern Region (Continued)

CONVERTIBLE PRODUCTS (Continued)

South Dakota (Continued)

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
South Dakota Sub Total :	0	161.49	337.78	.00	1,063.76	2,224.30	6,533.58

Washington

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Idaho Panhandle National Forest	0	.00	.00	.00	20.79	40.42	508.03
Washington Sub Total :	0	.00	.00	.00	20.79	40.42	508.03
All State Total :	135.381	3,271,722.02	6,135,761.63	184,108,098.15	2,556,246.38	4,830,966.11	164,208,399.34



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 3 of 33
Run Date: 01/14/2020 08:24 AM

Region: R2, Rocky Mountain Region

CONVERTIBLE PRODUCTS

****PRETIN DEFAULT STATE**

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
GrandMesaUncompahgreGunnison National Forest	0	12.16	22.58	.00	.00	.00	.00
**PRETIN DEFAULT STATE Sub Total:	0	12.16	22.58	.00	.00	.00	.00

Colorado

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
ArapahoRoosevelt National Forest	676	13,717.50	12,660.05	14,075.97	16,055.51	13,538.28	58,747.76
Black Hills National Forest	1,250	46,582.60	9,120.65	21,333.87	19,975.62	40,328.12	274,874.57
Medicine Bow-Rout National Forest	498	25,452.73	48,968.35	540,148.54	16,928.62	33,141.41	139,803.26
Pike-San Isabel National Forest	2,215	6,416.15	13,643.98	123,904.60	9,620.73	20,268.91	94,366.54
Rio Grande National Forest	1,743	22,874.06	46,207.57	109,058.18	10,183.62	21,018.44	168,947.32
San Juan National Forest	310	41,075.49	81,793.79	745,590.43	14,186.76	27,659.24	297,315.97
White River National Forest	1,249	17,898.93	35,966.47	87,110.48	11,778.07	23,759.82	46,050.78
Colorado Sub Total:	7,941	166,824.65	332,278.81	1,882,027.49	89,157.91	180,004.20	1,078,106.19

Nebraska

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Nebraska National Forest	23	23.20	46.40	290.00	469.75	939.50	3,676.72
Nebraska Sub Total:	23	23.20	46.40	290.00	469.75	939.50	3,676.72

South Dakota

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Black Hills National Forest	1,430	65,577.14	132,757.69	4,106,794.86	72,485.83	149,690.89	2,063,722.48
South Dakota Sub Total:	1,430	65,577.14	132,757.69	4,106,794.86	72,485.83	149,690.89	2,063,722.48



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 4 of 33
Run Date: 01/14/2020 08:24 AM

Region: R2, Rocky Mountain Region (Continued)
CONVERTIBLE PRODUCTS (Continued)

Wyoming

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Bighorn National Forest	815	8,764.89	17,902.58	79,774.57	6,662.01	13,301.94	55,357.23
Black Hills National Forest	137	20,815.01	40,378.05	1,201,752.30	23,614.97	44,888.41	1,301,347.20
Medicine Bow-Routt National Forest	2,045	34,424.23	72,175.06	707,854.18	24,267.12	46,660.55	416,127.01
Shoshone National Forest	1,041	13,195.78	26,391.90	310,876.17	9,585.05	20,634.60	113,141.79
Wyoming Sub Total :	4,038	77,199.89	157,447.59	2,300,357.22	63,927.15	128,785.70	1,886,003.23
All State Total :	135,381	3,271,722.02	6,136,761.63	184,108,098.15	2,556,246.38	4,830,866.11	164,208,359.34



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 5 of 33
Run Date: 01/14/2020 08:24 AM

Region: R3, Southwestern Region

CONVERTIBLE PRODUCTS

Arizona

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Apache/Sigreaves National Forest	4,958	49,050.90	100,509.58	580,771.16	28,610.00	56,243.29	324,233.03
Cochise National Forest	3,832	49,535.90	101,954.04	2,638,154.39	24,297.88	45,497.46	212,354.17
Coronado National Forest	2,220	42,575.72	82,911.08	18,105.88	573.05	911.08	16,284.99
Flagstaff National Forest	2,220	42,575.72	82,911.08	4,919,725.61	17,348.49	34,696.98	18,633,214.24
Prescott National Forest	859	4,193.40	7,924.91	35,873.61	6,348.49	11,582.37	69,793.24
Tonto National Forest	1,294	1,773.18	2,801.45	35,703.04	4,337.23	7,847.01	38,154.92
Arizona Sub Total :	14,002	147,966.69	296,557.61	8,219,239.08	81,614.65	152,576.01	773,770.31

New Mexico

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Carson National Forest	3,419	10,130.11	16,011.24	80,599.10	12,216.98	20,503.48	136,723.03
Cibola National Forest	3,338	12,447.02	21,529.45	94,221.79	9,623.46	15,732.30	79,660.40
Lincoln National Forest	2,070	16,514.65	16,514.65	1,651,465.00	15,732.30	15,732.30	1,651,465.00
Lincoln National Forest	910	3,729.25	6,516.47	48,421.60	3,999.22	6,254.45	30,611.16
Santa Fe National Forest	4,601	13,656.23	21,934.69	151,955.65	14,431.22	23,566.86	122,298.90
New Mexico Sub Total :	15,057	46,238.00	76,542.87	423,512.83	46,892.47	78,703.81	430,782.33
All State Total :	135,381	3,271,722.02	6,135,761.63	184,108,098.15	2,556,246.38	4,830,986.11	164,108,399.34



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 6 of 33
Run Date: 01/14/2020 08:24 AM

Region: R4, Intermountain Region

CONVERTIBLE PRODUCTS

**PRETIM DEFAULT STATE

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Uinta-Wasatch-Cache National Forest	0	8.13	14.27	.00	.00	.00	.00
**PRETIM DEFAULT STATE Sub Total :	0	8.13	14.27	.00	.00	.00	.00

California

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Humboldt & Toy National Forest	664	907.50	1,542.75	18,150.00	899.50	1,529.15	17,990.00
California Sub Total :	664	907.50	1,542.75	18,150.00	899.50	1,529.15	17,990.00

Idaho

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Boise National Forest	3,205	13,480.47	25,867.74	969,755.67	17,452.88	31,552.64	886,200.90
Caribou/Targhee National Forest	2,481	6,778.28	11,963.24	126,999.57	6,692.10	11,784.02	110,422.56
Payette National Forest	1,338	11,737.84	20,122.89	1,000,275.58	12,787.57	22,792.17	1,220,982.09
Salmon-Challis National Forest	1,698	6,164.48	10,787.99	64,046.08	5,490.11	9,698.39	30,713.03
Sawtooth National Forest	1,857	6,149.24	11,577.73	111,449.62	5,684.82	10,038.95	87,141.09
Idaho Sub Total :	10,579	44,310.31	80,019.59	2,302,526.52	48,107.48	85,846.17	2,335,459.67

Nevada

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Humboldt & Toy National Forest	594	858.82	1,467.75	15,865.00	864.32	1,477.10	15,975.00
Nevada Sub Total :	594	858.82	1,467.75	15,865.00	864.32	1,477.10	15,975.00



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 7 of 33
Run Date: 01/14/2020 08:24 AM

Region: R4, Intermountain Region (Continued)

CONVERTIBLE PRODUCTS (Continued)

Utah

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Ashley National Forest	1,221	2,907.84	5,142.90	29,848.14	3,359.73	6,266.23	48,030.06
Dixie National Forest	1,419	4,429.91	7,976.60	33,858.42	18,356.13	33,782.61	206,966.10
Fishlake National Forest	1,015	3,022.32	3,479.68	22,485.00	2,334.32	4,026.25	38,262.08
Grand Staircase-Escalante National Forest	1,001	62,249.35	117,425.65	2,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Uinta-Wasatch-Cache National Forest	1,829	30,172.01	71,932.77	1,165,012.24	8,946.65	18,779.80	261,080.30
Utah Sub Total :	6,665	101,772.94	205,800.55	1,534,456.19	41,328.39	76,511.79	668,554.78

Wyoming

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Bridger-Teton National Forest	1,955	5,532.50	9,745.11	78,028.13	6,867.51	12,212.82	154,642.93
Uinta-Wasatch-Cache National Forest	0	92.82	162.83	.00	1,351.17	3,817.65	9,377.65
Wyoming Sub Total :	1,955	5,625.32	9,907.94	78,028.13	8,218.68	16,030.47	164,020.58
All State Total :	135,381	3,271,722.02	6,135,761.63	184,108,098.16	2,566,246.38	4,830,366.11	164,208,399.34



Cut and Sold (New) - CUTS204R

Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 8 of 33
Run Date: 01/14/2020 08:24 AM

Region: RS, Pacific S.West Region

CONVERTIBLE PRODUCTS

**PRETIM DEFAULT STATE

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Sequoia National Forest	0	2,107.10	3,890.65	.00	.00	.00	.00
Sierra National Forest	0	2,972.03	4,703.91	.00	.00	.00	.00
**PRETIM DEFAULT STATE Sub Total :	0	5,079.13	8,594.56	.00	.00	.00	.00

California

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Angels National Forest	110	65.50	131.00	4,195.00	65.50	131.00	4,195.00
Cleveland National Forest	101	418.20	836.40	2,580.60	158.82	317.64	2,480.00
El Dorado National Forest	1,052	52,980.63	98,040.07	2,217,739.11	38,851.18	73,318.90	1,710,247.45
Inyo National Forest	1,214	2,289.94	4,579.81	68,118.32	2,161.60	4,323.18	63,284.02
Klamath National Forest	1,814	46,055.94	83,207.41	1,599,874.37	20,422.60	39,569.73	716,172.79
Lake Tahoe Basin National Forest	189	16,008.86	32,017.70	19,059.76	8,075.94	16,151.86	178,953.98
Lassen-Pine National Forest	3,325	28,394.71	56,789.43	1,342,847.14	20,392.44	40,784.88	1,035,978.24
Los Padres National Forest	218	28,396.00	56,792.00	6,110.00	360.00	720.00	6,110.00
Mendocino National Forest	263	5,571.14	9,323.14	134,553.88	1,464.20	2,619.82	38,595.18
Modoc National Forest	781	31,456.14	65,984.71	402,357.94	21,746.02	50,072.12	296,839.12
Plumas National Forest	2,022	44,745.31	93,217.76	3,239,681.39	19,031.44	45,933.64	667,754.51
San Bernardino National Forest	797	943.44	1,886.00	18,330.32	1,012.50	2,018.00	19,690.82
Sequoia National Forest	1,651	16,594.16	33,188.32	1,559,665.65	11,165.55	22,331.10	1,317,120.00
Shasta-Trinity National Forest	1,997	36,364.27	72,728.54	1,817,634.16	25,725.59	51,451.18	2,452,844.00
Sierra National Forest	1,619	12,061.13	20,813.63	1,58,854.37	33,877.94	54,033.26	450,843.56
Six Rivers National Forest	1,244	8,152.04	15,301.61	781,073.37	4,293.91	8,033.70	212,559.38
Stanislaus National Forest	690	29,660.03	51,334.00	588,744.63	30,945.25	52,984.67	1,048,142.01
Tahoe National Forest	817	31,594.07	56,832.12	677,421.36	22,106.85	41,299.40	1,352,129.13
California Sub Total :	18,591	371,372.86	711,028.16	13,052,400.59	256,408.79	510,830.58	10,178,947.28

Nevada

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Lake Tahoe Basin National Forest	0	.00	.00	.00	.00	.00	.00
Nevada Sub Total :	0	.00	.00	.00	.00	.00	.00



Report Type: Quarterly
Filter: All Sales ,All Sales

Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Page: 9 of 33
Run Date: 01/14/2020 08:24 AM

Region: RS, Pacific S.West Region (Continued)				
CONVERTIBLE PRODUCTS (Continued)				
All State Total :				
135.381	3,271,722.02	6,135,761.63	184,108,098.15	2,556,246.38
			4,830,966.11	164,208,399.34



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 10 of 33
Run Date: 01/14/2020 08:24 AM

Region: R6, Pacific N-West Region

CONVERTIBLE PRODUCTS

**PRETIM DEFAULT STATE

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Willamette National Forest	0	1,896.62	4,400.87	.00	.00	.00	.00
**PRETIM DEFAULT STATE Sub Total:	0	1,896.62	4,400.87	.00	.00	.00	.00

Oregon

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Deschutes National Forest	3,590	32,717.68	64,335.28	1,869,554.10	75,377.54	170,639.80	253,179.81
Forest Management National Forest	2,447	20,536.98	122,499.48	2,512,567.94	75,320.02	159,338.35	1,529,177.58
Malheur National Forest	1,857	61,658.25	122,439.88	3,356,094.15	48,645.15	95,842.90	533,650.05
Mt. Hood National Forest	1,042	35,689.81	68,145.94	3,269,284.42	32,326.52	62,051.77	2,324,078.37
Ochoco National Forest	1,373	13,581.96	27,202.13	84,385.74	11,191.68	22,123.32	63,217.24
Rogue River-Siskiyou National Forest	871	28,459.46	50,552.26	3,087,266.39	50,727.25	87,201.04	6,416,784.88
Siuslaw National Forest	357	40,532.25	75,422.09	4,266,045.04	53,825.59	100,514.59	9,829,903.19
Umpqua National Forest	1,771	18,583.80	36,167.60	1,853,853.00	14,833.44	29,667.32	1,853,853.00
Unquowa National Forest	410	18,587.60	33,609.06	962,734.33	31,440.33	54,034.43	5,725,870.70
Wallowa-Whitman National Forest	2,444	28,087.99	54,932.08	863,600.43	18,357.81	35,855.72	574,049.23
Willamette National Forest	1,564	102,445.46	189,857.20	8,123,594.52	75,405.34	140,285.61	9,847,639.54
Oregon Sub Total:	17,229	444,127.32	850,921.61	30,126,472.96	448,040.77	848,765.51	37,356,225.91

Washington

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Columbia River Gorge National Scenic Area National Forest	0	.00	.00	.00	8.32	16.00	8.00
Coquille National Forest	312	87,110.65	167,845.48	8,860,560.92	89,272.86	170,742.73	9,188,751.93
Gifford Pinchot National Forest	928	36,654.43	68,596.20	3,644,236.89	18,947.33	35,880.32	1,541,319.40
Mt. Baker-Snoqualmie National Forest	633	2,740.65	5,094.11	125,106.95	5,570.98	10,268.55	456,583.23
Okanogan-Wenatchee National Forest	3,146	18,966.07	36,837.31	662,542.32	37,810.36	72,893.53	2,874,251.56
Olympic National Forest	745	4,971.07	9,231.97	121,809.16	18,042.45	33,349.38	1,238,536.83
Unatilla National Forest	485	10,731.27	21,357.32	331,507.24	13,236.60	26,159.24	1,247,305.47
Washington Sub Total:	6,249	161,174.14	308,862.39	13,545,762.48	182,885.10	348,309.75	16,546,756.42



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 11 of 33
Run Date: 01/14/2020 08:24 AM

Region: RE, Pacific N.West Region (Continued)				
CONVERTIBLE PRODUCTS (Continued)				
All State Total :				
135.381	3,271,722.02	6,135,761.63	184,108,098.15	2,556,246.38
			4,830,966.11	164,208,399.34



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 12 of 33
Run Date: 01/14/2020 08:24 AM

Region: R8, Southern Region

CONVERTIBLE PRODUCTS

**PRETIM DEFAULT STATE

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Francis Marion-Sumter National Forest	0	7.21	14.43	.00	.00	.00	.00
George Washington & Jefferson National Forest	0	73.89	135.48	.00	.00	.00	.00
NFS in Texas National Forest	0	90.91	166.63	.00	.00	.00	.00
**PRETIM DEFAULT STATE Sub Total :	0	172.01	316.54	.00	.00	.00	.00

Alabama

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
NFS in Alabama National Forest	145	42,480.42	78,395.91	2,222,993.37	43,182.27	82,887.56	3,024,655.95
Alabama Sub Total :	145	42,480.42	78,395.91	2,222,993.37	43,182.27	82,887.56	3,024,655.95

Arkansas

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Ouachita National Forest	241	73,913.29	136,592.70	3,980,673.86	45,116.13	87,308.71	2,946,770.46
Ozark St. Francis National Forest	442	47,340.17	92,163.88	2,523,951.84	38,456.28	76,592.02	1,815,612.54
Arkansas Sub Total :	683	121,253.46	228,756.58	6,504,625.70	83,572.41	164,200.73	4,762,383.00

Florida

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
NFS in Florida National Forest	83	44,984.42	82,776.68	2,807,778.91	32,729.43	62,037.13	3,887,238.28
Florida Sub Total :	83	44,984.42	82,776.68	2,807,778.91	32,729.43	62,037.13	3,887,238.28

Georgia



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
 Filter: All Sales, All Sales

Page: 13 of 33
 Run Date: 01/14/2020 08:24 AM

Region: R8, Southern Region (Continued)
 CONVERTIBLE PRODUCTS (Continued)
 Georgia (Continued)

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Chattahoochee/Oconee National Forest	260	10,472.78	19,966.19	235,338.36	9,191.06	18,344.95	242,195.78
Georgia Sub Total :	260	10,472.78	19,966.19	235,338.36	9,191.06	18,344.95	242,195.78

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Daniel Boone National Forest	190	3,791.96	7,943.62	285,917.10	1,918.02	3,656.37	180,115.63
Land Between The Lakes National Forest	23	11.50	23.00	460.00	12.00	24.00	460.00
Kentucky Sub Total :	213	3,803.46	7,966.62	285,677.10	1,930.02	3,680.37	180,595.63

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Kisatchie National Forest	83	75,251.34	137,878.28	6,646,257.52	53,446.51	101,453.81	4,203,928.22
Louisiana Sub Total :	83	75,251.34	137,878.28	6,646,257.52	53,446.51	101,453.81	4,203,928.22

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
NFS in Mississippi National Forest	88	114,211.43	200,620.85	4,044,683.89	69,614.58	134,082.73	3,008,386.52
Mississippi Sub Total :	88	114,211.43	200,620.85	4,044,683.89	69,614.58	134,082.73	3,008,386.52

North Carolina



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 14 of 33
Run Date: 01/14/2020 08:24 AM

Region: R8, Southern Region (Continued)

CONVERTIBLE PRODUCTS (Continued)

North Carolina (Continued)

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
NFS in N. Carolina National Forest	497	12,770.42	23,517.27	1,126,947.28	19,404.69	37,091.07	1,515,488.79
North Carolina Sub Total :	497	12,770.42	23,517.27	1,126,947.28	19,404.69	37,091.07	1,515,488.79

Oklahoma

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Ouachita National Forest	14	19,135.58	35,078.67	851,929.16	19,299.07	38,203.67	944,363.25
Oklahoma Sub Total :	14	19,135.58	35,078.67	851,929.16	19,299.07	38,203.67	944,363.25

South Carolina

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Francis Marion-Sumter National Forest	156	64,010.35	121,373.91	3,651,117.06	51,197.44	100,697.64	2,634,034.10
South Carolina Sub Total :	156	64,010.35	121,373.91	3,651,117.06	51,197.44	100,697.64	2,634,034.10

Tennessee

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Cherokee National Forest	133	2,979.79	5,408.09	139,892.14	1,824.89	3,439.48	24,093.73
Tennessee Sub Total :	133	2,979.79	5,408.09	139,892.14	1,824.89	3,439.48	24,093.73

Texas



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 15 of 33
Run Date: 01/14/2020 08:24 AM

Region: R8, Southern Region (Continued)							
CONVERTIBLE PRODUCTS (Continued)							
Texas (Continued)							
Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
NFS In Texas National Forest	71	85,050.17	119,995.79	4,185,503.90	18,266.89	34,270.86	969,097.83
Texas Sub Total :	71	85,050.17	119,995.79	4,185,506.90	18,266.89	34,270.86	969,097.83
Virginia							
Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
George Washington & Jefferson National Forest	1,477	25,218.77	46,284.98	866,472.06	12,938.78	24,725.54	493,201.01
Virginia Sub Total :	1,477	25,218.77	46,284.98	866,472.06	12,938.78	24,725.54	493,201.01
West Virginia							
Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
George Washington & Jefferson National Forest	0	39.03	71.54	.00	1,551.12	3,102.23	43,928.74
West Virginia Sub Total :	0	39.03	71.54	.00	1,551.12	3,102.23	43,928.74
All State Total :	135,381	3,271,722.02	6,135,761.63	184,108,098.15	2,556,246.38	4,830,966.11	164,208,399.34



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 16 of 33
Run Date: 01/14/2020 08:24 AM

Region: R8, Eastern Region									
CONVERTIBLE PRODUCTS									
**PRETIM DEFAULT STATE									
Forest									
Ottawa National Forest		Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)	
		0	125.32	203.53	.00	.00	.00	.00	.00
**PRETIM DEFAULT STATE Sub Total :		0	125.32	203.53	.00	.00	.00	.00	.00
Illinois									
Forest									
Shawnee National Forest		Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)	
		75	6,072.64	10,100.68	214,592.45	1,085.76	1,956.02	31,554.38	
Illinois Sub Total :		75	6,072.64	10,100.68	214,592.45	1,085.76	1,956.02	31,554.38	
Indiana									
Forest									
Hoosier National Forest		Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)	
		49	6,056.40	9,916.54	431,413.48	3,691.46	6,055.24	459,021.71	
Indiana Sub Total :		49	6,056.40	9,916.54	431,413.48	3,691.46	6,055.24	459,021.71	
Maine									
Forest									
White Mountain National Forest		Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)	
		1	1,505.55	2,433.49	106,657.44	.00	.00	.00	.00
Maine Sub Total :		1	1,505.55	2,433.49	106,657.44	.00	.00	.00	.00
Michigan									



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 17 of 33
Run Date: 01/14/2020 08:24 AM

Region: R8, Eastern Region (Continued)

CONVERTIBLE PRODUCTS (Continued)

Michigan (Continued)

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Hiawatha National Forest	411	43,993.06	72,893.35	4,150,940.04	23,499.18	39,254.30	1,963,434.36
Huron Manistee National Forest	1,774	75,301.10	125,846.70	3,496,555.51	36,124.18	59,309.33	2,181,432.15
Ottawa National Forest	261	82,546.91	134,659.19	3,974,976.73	58,727.48	96,466.82	4,091,063.08
Michigan Sub Total :	2,446	201,843.07	333,395.24	11,622,472.28	118,356.84	195,030.45	8,235,949.59

Minnesota

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Chippewa National Forest	244	43,807.84	73,716.43	3,617,490.58	43,754.56	71,806.26	3,128,212.91
Superior National Forest	173	66,365.75	108,249.23	2,473,343.84	48,913.18	79,406.74	1,987,163.58
Minnesota Sub Total :	417	110,173.59	181,965.66	6,090,834.42	92,667.74	151,213.00	5,115,376.49

Missouri

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Mark Twain National Forest	611	69,845.52	114,629.02	10,393,759.77	50,899.64	83,142.23	7,454,329.62
Missouri Sub Total :	611	69,845.52	114,629.02	10,393,759.77	50,899.64	83,142.23	7,454,329.62

New Hampshire

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
White Mountain National Forest	179	9,840.14	15,901.79	610,784.46	7,383.62	11,922.93	555,633.64
New Hampshire Sub Total :	179	9,840.14	15,901.79	610,784.46	7,383.62	11,922.93	555,633.64

New York



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 18 of 33
Run Date: 01/14/2020 08:24 AM

Region: R9, Eastern Region (Continued)

CONVERTIBLE PRODUCTS (Continued)

New York (Continued)

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Green Mountain National Forest	17	20.00	31.60	400.00	20.00	31.60	400.00
New York Sub Total :	17	20.00	31.60	400.00	20.00	31.60	400.00

Ohio

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Wayne National Forest	136	12,788.54	20,914.24	605,900.11	2,701.33	4,391.48	204,919.94
Ohio Sub Total :	136	12,788.54	20,914.24	605,900.11	2,701.33	4,391.48	204,919.94

Pennsylvania

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Allegheny National Forest	763	46,056.28	74,504.94	9,063,429.77	40,136.09	64,725.80	8,379,844.02
Pennsylvania Sub Total :	763	46,056.28	74,504.94	9,063,429.77	40,136.09	64,725.80	8,379,844.02

Vermont

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Green Mountain National Forest	94	10,107.15	16,253.56	405,373.72	6,167.13	9,932.79	379,325.37
Vermont Sub Total :	94	10,107.15	16,253.56	405,373.72	6,167.13	9,932.79	379,325.37

West Virginia



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 19 of 33
Run Date: 01/14/2020 08:24 AM

Region: R8, Eastern Region (Continued)

CONVERTIBLE PRODUCTS (Continued)

West Virginia (Continued)

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Monongahela National Forest	373	16,191.48	26,803.36	1,313,482.27	13,454.09	22,259.87	1,559,360.27
West Virginia Sub Total :	373	16,191.48	26,803.36	1,313,482.27	13,454.09	22,259.87	1,559,360.27

Wisconsin

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Chequamegon/Nicolet National Forest	1,047	123,660.33	203,473.25	7,918,143.86	87,420.45	141,977.78	5,007,703.79
Wisconsin Sub Total :	1,047	123,660.33	203,473.25	7,918,143.86	87,420.45	141,977.78	5,007,703.79

All State Total :

135,351	3,271,722.02	6,135,761.63	2,556,246.38	4,830,956.11	164,208,359.34
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Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 20 of 33
Run Date: 01/14/2020 08:24 AM

Region: R10, Alaska Region									
CONVERTIBLE PRODUCTS									
Alaska									
		Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)	
Forest									
Chugach National Forest		2	210.07	537.75	24,042.42	213.00	544.44	30,982.83	
Tongass National Forest		49	5,428.22	17,091.46	412,922.48	11,009.08	25,169.10	711,166.27	
Alaska Sub Total :		51	5,638.29	17,629.21	436,964.89	11,222.08	25,713.54	742,149.10	
All State Total :		135,381	3,271,722.02	6,135,761.63	184,108,098.16	2,566,246.38	4,839,866.11	164,208,399.34	



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 21 of 33
Run Date: 01/14/2020 08:24 AM

NON-CONVERTIBLE PRODUCTS

State	Forest	Christmas Number	Sold Trees Value	Sold Miscellaneous Value	Sold Total Value	Cut Christmas Trees - Number	Cut Total Value
Idaho	Idaho Panhandle National Forest	1,761	8,605.00	2,046.00	10,651.00	1,811	10,976.00
	Nez Perce-Clearwater National Forest	844	4,220.00	40.00	4,260.00	845	4,165.00
	State Total:	2,605	13,025.00	2,086.00	15,111.00	2,656	15,141.00
Montana	Beaverhead/Deerlodge National Forest	1,612	8,060.00	226.00	8,286.00	1,612	8,286.00
	Bitterroot National Forest	1,273	6,365.00	30.00	6,395.00	1,273	6,495.00
	Flathead National Forest	78	390.00	100.00	490.00	78	490.00
	Custer Gallatin National Forest	10,159	50,795.00	970.00	51,765.00	10,159	51,765.00
	Kootenai National Forest	102	510.00	770.00	1,280.00	511	1,885.00
	Helena - Lewis & Clark National Forest	295	255.00	.00	255.00	305	305.00
	Lolo National Forest	2,931	13,995.00	2,380.00	16,375.00	2,931	16,375.00
	State Total:	16,410	80,370.00	4,476.00	84,846.00	16,869	85,801.00
Region (R1, Northern Region) Total:		19,016	93,395.00	6,562.00	99,957.00	19,625	100,742.00
Colorado	GrandMesa/Uncompahgre/Gunnison National Forest	0	0.00	510.00	510.00	500	1,340.00
	Medicine Bow-Routt National Forest	0	0.00	3,545.00	3,545.00	0	3,525.00
	Rio Grande National Forest	0	0.00	1,360.00	1,360.00	0	1,360.00
	Arapaho/Roosevelt National Forest	0	0.00	1,306.00	1,306.00	810	5,395.00
	Pike-San Isabel National Forest	2,539	20,312.00	3,726.00	24,038.00	2,643	24,628.00
	San Juan National Forest	3,388	27,104.00	2,433.00	29,537.00	3,388	29,537.00
	White River National Forest	33	330.00	406.50	736.50	33	781.50
	State Total:	5,960	47,746.00	13,286.50	61,032.50	7,374	66,727.50
	Nebraska National Forest	87	870.00	.00	870.00	87	870.00
	State Total:	87	870.00	.00	870.00	87	870.00
South Dakota	Black Hills National Forest	100	1,000.00	3,380.00	4,380.00	2	3,400.00
	State Total:	100	1,000.00	3,380.00	4,380.00	2	3,400.00
Wyoming	Bighorn National Forest	0	0.00	650.00	650.00	0	650.00
	Black Hills National Forest	0	0.00	145.00	145.00	0	145.00
	Medicine Bow-Routt National Forest	0	0.00	1,090.00	1,090.00	0	1,090.00
	Shoshone National Forest	4	32.00	775.00	807.00	4	857.00
	State Total:	4	32.00	2,660.00	2,692.00	4	2,742.00
Region (R2, Rocky Mountain Region) Total:		6,161	49,648.00	19,326.50	68,974.50	7,467	73,739.50



Cut and Sold (New) - CUTS204R
 Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
 Filter: All Sales ,All Sales

Page: 22 of 33
 Run Date: 01/14/2020 08:24 AM

NON-CONVERTIBLE PRODUCTS

State	Forest	Christmas Number	Sold Trees Value	Sold Miscellaneous Value	Sold Total Value	Cut Christmas Trees - Number	Cut Total Value
Arizona	Apache/Sigreaves National Forest	4,016	60,240.00	1,788.00	62,028.00	4,026	62,288.00
	Coconino National Forest	930	13,950.00	628.25	14,578.25	930	14,558.00
	Coronado National Forest	0	0.00	424.00	424.00	116	1,584.00
	Kaibab National Forest	1,597	22,429.50	401.00	22,830.50	1,597	22,830.50
	Prescott National Forest	600	12,000.00	677.00	12,677.00	600	12,677.00
	Tonto National Forest	0	0.00	1,645.00	1,645.00	2,405	37,720.00
	State Total:	7,143	108,619.50	5,533.25	114,182.75	9,674	151,657.50
New Mexico	Carson National Forest	1,543	8,180.00	2,507.00	10,687.00	1,813	12,207.00
	Cibola National Forest	915	9,145.00	85.00	9,230.00	915	9,265.00
	Gila National Forest	482	2,410.00	755.00	3,165.00	482	3,165.00
	Lincoln National Forest	2,833	25,583.00	655.00	26,238.00	2,833	26,243.00
	Santa Fe National Forest	5,133	51,330.00	6,090.00	57,410.00	5,988	62,255.00
	State Total:	10,706	96,648.00	10,082.00	106,730.00	11,831	113,135.00
Region (R3, Southwestern Region) Total:		17,849	205,267.50	15,645.25	220,912.75	21,505	264,792.50



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter
Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 23 of 33
Run Date: 01/14/2020 08:24 AM

NON-CONVERTIBLE PRODUCTS

State	Forest	Christmas Number	Sold Trees Value	Sold Miscellaneous Value	Sold Total Value	Cut Christmas Trees - Number	Cut Total Value
California	Humboldt & Toy National Forest	7,631	38,155.00	95.00	38,250.00	7,631	38,250.00
	State Total:	7,631	38,155.00	95.00	38,250.00	7,631	38,250.00
	Bose National Forest	7,078	35,390.00	130.20	35,520.20	7,078	35,560.20
Idaho	Payette National Forest	1,212	12,120.00	275.00	12,395.00	1,212	12,265.00
	Salmon-Challis National Forest	1,019	5,095.00	140.00	5,235.00	1,019	5,235.00
	Sawtooth National Forest	5,258	28,690.00	2,291.00	30,981.00	5,258	30,981.00
	Caribou/Targhee National Forest	8,791	131,865.00	2,608.75	134,473.75	8,766	134,098.75
	State Total:	23,388	215,160.00	5,444.95	218,604.95	23,333	218,169.95
Nevada	Humboldt & Toy National Forest	790	3,950.00	1,200.00	5,150.00	790	30,350.00
Utah	State Total:	790	3,950.00	1,200.00	5,150.00	790	30,350.00
	Ashley National Forest	2,903	14,515.00	587.00	15,102.00	2,903	15,122.00
	Dixie National Forest	4,737	24,600.00	820.00	25,420.00	4,437	22,405.00
	Fishlake National Forest	4,216	22,700.00	3,777.50	26,477.50	3,916	23,127.50
	Manti-LaSal National Forest	4,280	21,400.00	100,521.80	121,921.80	4,280	44,864.60
Wyoming	Uinta-Wasatch-Cache National Forest	5,637	11,274.00	1,830.00	13,104.00	5,637	13,194.00
	State Total:	21,776	94,439.00	107,536.30	202,025.30	21,176	118,733.10
	Bridge-Teton National Forest	3,169	15,865.00	2,746.00	18,610.00	3,169	18,577.50
State Total:		3,169	15,865.00	2,746.00	18,610.00	3,169	18,577.50
Region (B4, Intermountain Region) Total:		56,723	365,619.00	117,021.25	482,640.25	56,098	424,880.55



Cut and Sold (New) - CUTS204R
 Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
 Filter: All Sales ,All Sales

Page: 24 of 33
 Run Date: 01/14/2020 08:24 AM

NON-CONVERTIBLE PRODUCTS

State	Forest	Christmas Number	Sold Trees Value	Sold Miscellaneous Value	Sold Total Value	Cut Christmas Trees - Number	Cut Total Value
California	Angeles National Forest	0	0.00	14,975.05	14,975.05	0	14,980.05
	Cleveland National Forest	0	0.00	125.00	125.00	0	125.00
	Elkorado National Forest	4,412	44,120.00	5,312.53	49,432.53	4,882	51,802.53
	Inyo National Forest	0	0.00	3,061.00	3,061.00	40	3,311.00
	Klamath National Forest	1,699	16,990.00	9,220.00	26,210.00	1,729	30,480.00
	Lassen National Forest	5,702	57,020.00	781.30	57,801.30	5,702	57,801.30
	Mendocino National Forest	2,138	20,620.00	120.00	20,740.00	2,398	21,640.00
	Modoc National Forest	460	4,600.00	2,862.00	7,462.00	560	7,282.00
	Six Rivers National Forest	2,189	21,890.00	4,672.00	26,562.00	2,189	26,125.00
	Plumas National Forest	7,572	53,004.00	510.50	53,514.50	7,572	53,514.50
	San Bernardino National Forest	0	0.00	1,100.00	1,100.00	0	1,200.40
	Sequoia National Forest	0	0.00	120.00	120.00	403	4,150.00
	Shasta-Trinity National Forest	8,288	82,880.00	4,969.00	87,849.00	8,501	88,630.00
	Sierra National Forest	0	0.00	4,740.00	4,740.00	875	8,260.00
	Stanislaus National Forest	0	0.00	3,907.00	3,907.00	0	3,987.00
	Tahoe National Forest	1,028	13,890.00	342.00	14,232.00	2,296	20,344.00
	Lake Tahoe Basin National Forest	1,951	19,510.00	30.00	19,540.00	1,362	13,650.00
State Total:		35,439	334,524.00	56,877.38	391,401.38	38,609	407,302.78
Region (RS, Pacific S-West Region) Total:		35,439	334,524.00	56,877.38	391,401.38	38,609	407,302.78



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 25 of 33
Run Date: 01/14/2020 08:24 AM

NON-CONVERTIBLE PRODUCTS

State	Forest	Christmas Number	Sold Trees Value	Sold Miscellaneous Value	Sold Total Value	Cut Christmas Trees - Number	Cut Total Value
Oregon	Deschutes National Forest	11,773	23,546.00	37,429.30	60,975.30	11,773	60,995.30
	Fremont-Winema National Forest	1,338	2,706.00	45,080.40	47,786.40	3,483	52,826.40
	Mallheur National Forest	0	0.00	3,100.00	3,100.00	572	4,262.00
	Mt. Hood National Forest	4,629	9,258.00	28,311.05	37,569.05	4,629	45,493.55
	Ochoco National Forest	1,395	2,790.00	345.00	3,135.00	1,395	3,135.00
	Rogue River-Siskiyou National Forest	9,560	19,120.00	17,546.56	36,666.56	9,560	36,021.56
	Siuslaw National Forest	475	950.00	207,650.00	208,600.00	475	208,620.00
	Umatilla National Forest	2,419	4,838.00	1,140.00	5,978.00	2,519	6,278.00
	Umpqua National Forest	2,616	5,232.00	17,653.00	22,885.00	4,336	25,905.00
	Wallowa-Whitman National Forest	1,691	3,382.00	6,694.00	10,076.00	1,691	10,116.00
	Willamette National Forest	6,156	12,590.00	55,762.00	68,352.00	6,596	68,896.00
	State Total:	42,052	84,412.00	420,711.31	505,123.31	47,029	522,550.81
Washington	Gifford Pinchot National Forest	3,556	7,112.00	548,657.02	555,769.02	3,556	469,443.53
	Mt. Baker/Snoqualmie National Forest	6,624	13,568.00	410.00	13,978.00	6,864	16,138.00
	Olympic National Forest	1,902	3,804.00	61,719.75	65,523.75	1,902	66,259.75
	Umatilla National Forest	550	1,100.00	20.00	1,120.00	550	1,120.00
	Okanogan-Wenatchee National Forest	8,058	17,361.00	60,328.23	77,689.23	9,408	80,389.23
	Coville National Forest	884	1,768.00	359.34	2,127.34	884	2,127.34
State Total:		21,574	44,713.00	671,494.34	716,207.34	23,164	635,477.85
Region (R6, Pacific N-West Region) Total:		63,626	129,125.00	1,092,205.65	1,221,330.65	70,193	1,158,028.66



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
 Filter: All Sales ,All Sales

Page: 26 of 33
 Run Date: 01/14/2020 08:24 AM

NON-CONVERTIBLE PRODUCTS

State	Forest	Christmas Number	Sold Trees Value	Sold Miscellaneous Value	Sold Total Value	Cut Christmas Trees - Number	Cut Total Value
Alabama	NFS in Alabama National Forest	2	10.00	140.45	150.45	2	150.45
	State Total:	2	10.00	140.45	150.45	2	150.45
Florida	NFS in Florida National Forest	311	2,177.00	11,850.00	14,027.00	285	13,725.00
	State Total:	311	2,177.00	11,850.00	14,027.00	285	13,725.00
Georgia	Chattahoochee/Oconee National Forest	0	0.00	1,600.00	1,600.00	0	1,625.00
	State Total:	0	0.00	1,600.00	1,600.00	0	1,625.00
Kentucky	Daniel Boone National Forest	0	0.00	640.00	640.00	0	660.00
	State Total:	0	0.00	640.00	640.00	0	660.00
Louisiana	Kiatchie National Forest	0	0.00	600.00	600.00	0	600.00
	State Total:	0	0.00	600.00	600.00	0	600.00
Mississippi	NFS in Mississippi National Forest	0	0.00	663.00	663.00	0	663.00
	State Total:	0	0.00	663.00	663.00	0	663.00
North Carolina	NFS in N. Carolina National Forest	0	0.00	36,415.00	36,415.00	0	38,245.00
	State Total:	0	0.00	36,415.00	36,415.00	0	38,245.00
South Carolina	Francis Marion-Sumter National Forest	0	0.00	100.00	100.00	0	100.00
	State Total:	0	0.00	100.00	100.00	0	100.00
Tennessee	Cherokee National Forest	0	0.00	6,640.00	6,640.00	0	6,100.00
	State Total:	0	0.00	6,640.00	6,640.00	0	6,100.00
Virginia	George Washington & Jefferson National Forest	0	0.00	20.00	20.00	0	20.00
	State Total:	0	0.00	20.00	20.00	0	20.00
Region (R8, Southern Region) Total:		313	2,187.00	58,688.45	60,855.45	287	61,882.45



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 27 of 33
Run Date: 01/14/2020 08:24 AM

NON-CONVERTIBLE PRODUCTS

State	Forest	Christmas Number	Sold Trees Value	Sold Miscellaneous Value	Sold Total Value	Cut Christmas Trees - Number	Cut Total Value
Michigan	Huron Manistee National Forest	187	935.00	.00	935.00	187	935.00
	Ottawa National Forest	64	320.00	2,600.00	2,920.00	64	2,920.00
	Hawatha National Forest	98	490.00	2,468.00	2,958.00	98	2,958.00
	State Total:	349	1,745.00	5,068.00	6,813.00	349	6,813.00
Minnesota	Chippewa National Forest	270	1,350.00	3,549.50	4,899.50	270	4,899.50
	Superior National Forest	34	170.00	3,618.75	3,788.75	34	3,933.75
	State Total:	304	1,520.00	7,168.25	8,688.25	304	8,833.25
Missouri	Mark Twain National Forest	0	0.00	3,166.00	3,166.00	0	3,166.00
	State Total:	0	0.00	3,166.00	3,166.00	0	3,166.00
New Hampshire	White Mountain National Forest	838	4,190.00	2,165.95	6,355.95	848	6,356.05
	State Total:	838	4,190.00	2,165.95	6,355.95	848	6,356.05
Ohio	Wayne National Forest	0	0.00	2,920.00	2,920.00	0	2,920.00
	State Total:	0	0.00	2,920.00	2,920.00	0	2,920.00
Vermont	Green Mountain National Forest	378	1,890.00	5,848.85	7,738.85	378	7,738.85
	State Total:	378	1,890.00	5,848.85	7,738.85	378	7,738.85
West Virginia	Monongahela National Forest	44	220.00	3,800.00	4,020.00	44	4,020.00
	State Total:	44	220.00	3,800.00	4,020.00	44	4,020.00
Wisconsin	Chequamegon/Nicolet National Forest	742	3,710.00	11,338.80	15,048.80	742	15,048.80
	State Total:	742	3,710.00	11,338.80	15,048.80	742	15,048.80
Region (R9, Eastern Region) Total:		2,655	13,275.00	41,475.85	54,750.85	2,655	55,475.85
Alaska	Chugach National Forest	0	0.00	580.00	580.00	0	520.00
	Tongass National Forest	0	0.00	13.40	13.40	0	13.40
	State Total:	0	0.00	593.40	593.40	0	533.40
	Region (R10, Alaska Region) Total:	0	0.00	593.40	593.40	0	533.40



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter
Report Type: Quarterly
Filter: All Sales, All Sales

Page: 28 of 33
Run Date: 01/14/2020 08:24 AM

NUMBER OF SALES MADE

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Beaverhead/Deerlodge National Forest	1,622	2,208	1	1	1			2,212	3,834
Bitterroot National Forest	411	1,359						1,360	1,771
Custer National Forest	10,193	3,248	1		1			3,250	13,443
Flathead National Forest	80	2,000	3		5			2,008	2,088
Helena-Lewis & Clark National Forest	3	1,755	6			2		1,764	3,768
Kootenai National Forest	1,360	2,222	15	7	4	1		2,233	3,598
Lolo National Forest	114	1,563						1,560	1,704
Lolo National Forest	2,533	2,007	4	5	3	1		2,019	4,552
Nez Perce-Clearwater National Forest	794	1,757	3		5			1,767	2,561
Region (R1, Northern Region) Total :	17,110	20,122	32	24	20	4		20,202	37,312

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Apache/Roosevelt National Forest	73	689	7					696	749
Blackfoot National Forest	27	810	4					816	842
Black Hills National Forest	97	1,544	4	3	16			1,567	1,664
GrandMesa/Uncompahgre/Gunnison National Forest	17	1,243	5	1	1			1,250	1,267
Medicine Bow-Routt National Forest	167	2,530	1	9	3			2,543	2,710
Nebraska National Forest	11	23						23	34
Pike-San Isabel National Forest	2,110	2,208	7					2,215	4,325
Pine-Gunnison National Forest	144	1,757	6					1,763	1,763
San Juan National Forest	110	1,293	10	7				1,310	1,420
Shoshone National Forest	29	1,035	3	3				1,041	1,070
White River National Forest	38	1,237	9					1,249	1,287
Region (R2, Rocky Mountain Region) Total :	2,723	13,326	69	27	20			13,432	16,185

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Apache/Sitgreaves National Forest	2,353	4,951	1		1			4,958	7,311
Chaco National Forest	3,531	3,810						3,810	6,170
Chiricahua National Forest	631	3,323	14					3,338	3,969
Coconino National Forest	966	3,824	3	2	3			3,832	4,798
Coronado National Forest	13	720						720	733
Gila National Forest	325	2,786	3					2,789	3,114
Karab National Forest	1,437	2,336		1	1			2,339	3,776
Lincoln National Forest	1,411	1,841	7					1,850	2,581
Prescott National Forest	632	858						858	1,491
Santa Fe National Forest	2,415	4,596	5					4,601	7,016
Tonto National Forest	27	1,294						1,294	1,321
Region (R3, Southwestern Region) Total :	13,791	29,010	33	10	5	1		29,059	42,850



Cut and Sold (New) - CUTS204R

Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 29 of 33
Run Date: 01/14/2020 08:24 AM

NUMBER OF SALES MADE (Continued)

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Ashley National Forest	1,021	1,220	1	1	1			1,221	2,242
Boise National Forest	4,835	3,196	7					3,205	8,040
Bridge-Teton National Forest	2,379	1,954	1					1,955	4,334
Caribou-Targhee National Forest	6,493	2,474	5	2				2,481	8,964
Crow National Forest	1,111	1,111	1					1,112	2,222
Elk National Forest	130	1,015						1,015	1,145
Elk-Ski National Forest	486	1,258						1,258	1,744
Humboldt & Toiy National Forest	704	1,178	2	1				1,181	1,895
Manit-Lisal National Forest	112	1,336			2			1,336	1,450
Payette National Forest	91	1,694	4					1,698	1,789
Salmon-Challis National Forest	136	1,850	6	1				1,857	1,915
Sawtooth National Forest	2,923	1,625	1		3			1,626	4,752
Umatilla-Washton-Coburn National Forest									
Region (R4, Intermountain Region) Total :	19,293	20,418	28	5	6			20,457	39,759

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Angies National Forest	54	110						110	154
Cleveland National Forest	3	101	2		3			101	104
Eldorado National Forest	304	1,047						1,052	1,356
Elk National Forest	36	1,175	4	1				1,180	1,258
Elk-Ski National Forest	314	1,608			1			1,614	2,176
Lake Tahoe Basin National Forest	81	185	4					189	270
Lassen National Forest	1,016	3,213	5	4	1			3,223	4,239
Los Padres National Forest		218						218	218
Mendocino National Forest	68	258	4	1				263	331
Mendocino National Forest	139	2,776	2	2	1			2,781	3,200
Phelan National Forest	239	2,016	1	3	5			2,025	2,520
San Bernardino National Forest	14	797						797	811
Sequoia National Forest	6	1,442	8					1,450	1,456
Shasta-Trinity National Forest	1,452	1,968	4	3	2			1,967	3,449
Sierra National Forest	237	614	4					619	856
Six Rivers National Forest	353	1,242		2	1			1,244	1,597
Tahoe National Forest	114	871	7	2				880	1,054
Tahoe National Forest	234	810		3	2			817	1,051
Region (R6, Pacific S.West Region) Total :	4,706	18,605	47	23	16			18,691	23,297

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Coville National Forest	882	306		1		5		312	1,194
Deschutes National Forest	8,917	3,952	4	2	1			3,959	12,597
Fremont-Winema National Forest	2,209	2,440	3	2	2			2,447	4,856
Gifford Pinchot National Forest	1,361	921	2		2			926	8,295



Cut and Sold (New) - CUTS204R

Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 30 of 33
Run Date: 01/14/2020 08:24 AM

NUMBER OF SALES MADE (Continued)

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Maiheur National Forest	113	1,848	2	1	6			1,857	1,970
Mt. Baker/Snoqualmie National Forest	5,923	632						633	6,556
Mt. Hood National Forest	5,416	1,039			2	1		1,042	6,458
Ocoee National Forest	1,334	1,371		2				1,373	2,707
Okanogan-Wenatchee National Forest	1,334	3,161	7		1			3,166	3,166
Oregon National Forest	2,258	742		2				746	3,003
Rogue River-Siskiyou National Forest	8,023	858	3	1	2	1		871	8,894
Siuslaw National Forest	2,403	349	2	1	5			357	2,760
Unatilla National Forest	2,415	1,753	1	4	1			1,759	4,174
Unquapa National Forest	2,993	404	1	3	2			410	3,403
Willoway-Whitman National Forest	1,835	2,460	1					2,464	4,279
Winnemucca National Forest	4,535	1,339	8	6	11			1,364	6,399
Region (R6, Pacific N-West Region) Total :	64,076	23,362	35	33	38	10		23,478	87,554

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Chattahoochee/Oconee National Forest	179	256		4				260	339
Cherokee National Forest	175	132			1			133	308
Daniel Boone National Forest	32	189						190	222
Florida Non-Summit National Forest	5	1,351	5	6	11			1,369	1,411
Grand Staircase-Escalante National Forest	1	1,493	4	9	1			1,477	1,478
Klamath National Forest	2	62		1	16			83	85
Land Between The Lakes National Forest	10	23						23	23
NFS in Alabama National Forest	131	2	2	3	9			145	155
NFS in Florida National Forest	456	72	1	1	9			83	539
NFS in Mississippi National Forest	36	70	3	6	1			86	124
NFS in North Carolina National Forest	52	51	4	5	10			107	117
NFS in N. Carolina National Forest	790	493	4	6	3			497	1,267
Ouachita National Forest	233				12			255	255
Ozark St. Francis National Forest	426		3	7	6			442	442
Region (R8, Southern Region) Total :	1,586	3,732	31	52	88			3,803	5,489

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Allegheny National Forest	192	709	18	2	24			743	763
Chocoma National Forest	89	1,002	5	17	23			1,037	1,239
Chippewa National Forest	21	227	1	4	12			244	333
Green Mountain National Forest	49	107	1	2	1			111	132
Hiawatha National Forest	401	401	2	2	6			411	460
Hoosier National Forest	7	45	1	2	1			49	49
Huron-Manistee National Forest	16	1,743	16	6	9			1,774	1,781
Mark Twain National Forest	16	577	2	11	21			611	629



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 31 of 33
Run Date: 01/14/2020 08:24 AM

NUMBER OF SALES MADE (Continued)

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Monongahela National Forest	205	368	1	2	2			373	578
Ottawa National Forest	63	232	6	11	12			261	324
Shawnee National Forest	72	72			1			75	75
Superior National Forest	68	148	5	14	6			173	241
Wayne National Forest	145	130	2	2	3			156	252
White Mountain National Forest	36	173	1	3	3			160	216
Region (R9, Eastern Region) Total :	894	5,934	61	90	123			6,208	7,192
Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Chugach National Forest	6		1	1				2	8
Tongass National Forest	1	35	10	3	1			49	50
Region (R10, Alaska Region) Total :	7	35	11	4	1			61	68



Report Type: Quarterly
Filter: All Sales ,All Sales

Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Page: 32 of 33
Run Date: 01/14/2020 08:24 AM

REPORT LEGEND
Convertible Products

*** Legend for CUTS203 is Under Construction ***



Cut and Sold (New) - CUTS204R
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 33 of 33
Run Date: 01/14/2020 08:24 AM

Where Clause: Where (Region_Code in ('01','02','03','04','05','06','08','09','10')) and (report_date between
to_date('10/01/2018 00:00:00','mmdd/yyyy hh24:mi:ss') and to_date('09/30/2019 23:59:59','mmdd/yyyy
hh24:mi:ss')) and 1=1 and stewardship_indicator in ('N','Y') and good_neighbor_auth_indicator in ('N','Y')
and (SNAPSHOT_FISCAL_YEAR = '2019' AND SNAPSHOT_QUARTER = '4')

Sorting Criteria:

End of Report



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 1 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE									
CONVERTIBLE PRODUCTS									
**PRETIM DEFAULT STATE									
Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)		
Francis Marion-Sumter National Forest	0	7.21	14.43	.00	.00	.00	.00	.00	.00
George Washington & Jefferson National Forest	0	73.89	135.48	.00	.00	.00	.00	.00	.00
GrandMesa/Uncompahgre/Gunnison National Forest	0	12.16	22.58	.00	.00	.00	.00	.00	.00
Idaho Panhandle National Forest	0	1,004.50	1,657.00	.00	.00	.00	.00	.00	.00
NFS in Texas National Forest	0	90.91	166.63	.00	.00	.00	.00	.00	.00
Ottawa National Forest	0	125.32	203.53	.00	.00	.00	.00	.00	.00
Sequoia National Forest	0	2,107.10	3,880.65	.00	.00	.00	.00	.00	.00
Sierra National Forest	0	2,372.03	4,703.91	.00	.00	.00	.00	.00	.00
Yukon-Charley National Forest	0	8.13	14.47	.00	.00	.00	.00	.00	.00
Wilamette National Forest	0	1,896.62	4,400.87	.00	.00	.00	.00	.00	.00
**PRETIM DEFAULT STATE Sub Total :				0	8,327.15	15,463.32	.00	.00	.00
Alabama									
Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)		
NFS in Alabama National Forest	145	42,480.42	78,395.91	2,222,993.37	43,182.27	82,867.56	3,024,655.95		
Alabama Sub Total :				145	42,480.42	78,395.91	2,222,993.37	43,182.27	82,867.56
Alaska									
Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)		
Chugach National Forest	2	210.07	537.75	24,042.42	213.00	544.44	30,982.83		
Tongass National Forest	49	5,426.22	17,091.46	412,922.48	11,009.06	25,169.10	711,166.27		
Alaska Sub Total :				51	5,636.29	17,639.21	436,964.89	11,222.06	25,713.54



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 2 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

CONVERTIBLE PRODUCTS (Continued)

Arizona

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Apache/Sigreaves National Forest	4,958	49,050.90	100,505.58	580,771.16	28,610.00	56,243.29	324,233.03
Cochino National Forest	3,832	49,535.90	101,954.04	2,638,154.39	24,297.88	45,467.46	212,354.17
Coronado National Forest	720	575.72	911.08	18,105.88	573.05	911.08	16,284.93
Flagstaff National Forest	2,220	42,315.75	82,552.91	4,916,725.61	17,125.60	34,251.20	1,535,625.91
Prescott National Forest	859	4,193.40	7,824.91	35,873.61	6,348.49	11,582.37	69,793.24
Tonto National Forest	1,294	1,773.18	2,801.45	35,703.04	4,337.23	7,847.01	38,154.92
Arizona Sub Total :	14,002	147,966.69	296,557.61	8,219,239.08	91,614.65	152,576.01	773,770.51

Arkansas

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Ouachita National Forest	241	73,913.29	136,592.70	3,980,673.86	45,116.13	87,308.71	2,946,770.46
Ozark St. Francis National Forest	442	47,340.17	92,163.88	2,623,951.84	38,456.28	76,592.02	1,815,612.54
Arkansas Sub Total :	683	121,253.46	228,756.58	6,604,625.70	83,572.41	164,200.73	4,762,383.00



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 3 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

CONVERTIBLE PRODUCTS (Continued)

California

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Angels National Forest	110	65.50	131.00	4,195.00	65.50	131.00	4,195.00
Cleveland National Forest	101	418.20	836.40	2,590.60	158.82	317.64	2,480.00
Elk National Forest	1,052	52,989.63	98,940.07	2,217,739.11	38,651.18	73,318.90	1,710,287.45
Inyo National Forest	1,214	2,289.94	4,579.81	88,114.32	2,161.60	4,323.18	63,294.02
Klamath National Forest	1,814	45,055.94	83,207.41	1,569,874.37	20,422.60	39,569.73	716,172.79
Lake Tahoe Basin National Forest	1,859	16,008.86	32,017.70	19,059.37	8,075.94	16,151.86	78,953.98
Lassen National Forest	3,223	26,942.06	51,437.53	1,380,874.41	20,937.54	47,826.05	1,025,278.74
Los Padres National Forest	218	5,390.00	10,780.00	6,110.00	390.00	780.00	6,110.00
Modoc National Forest	1,445	1,445.00	2,890.00	1,445.00	1,445.00	2,890.00	1,445.00
Monterey National Forest	783	31,458.14	62,916.28	402,357.84	21,746.02	50,072.12	296,839.12
Plumas National Forest	2,022	44,746.31	89,492.62	3,239,681.39	19,031.44	45,933.64	667,754.51
San Bernardino National Forest	797	943.44	1,886.88	18,330.32	1,012.50	2,025.00	19,690.82
Sequoia National Forest	1,450	26,674.16	51,893.16	35,196.65	5,788.99	11,577.98	33,712.70
Shasta-Trinity National Forest	1,997	36,364.27	71,328.11	1,817,634.10	25,275.51	60,357.06	2,452,948.90
Sierra National Forest	619	12,061.13	20,913.63	58,654.37	33,977.94	54,033.26	250,843.96
Stanislaus National Forest	1,644	1,644.00	3,288.00	1,644.00	1,644.00	3,288.00	1,644.00
Tahoe National Forest	690	29,690.03	51,334.00	593,744.63	30,949.25	52,384.67	1,045,142.01
	817	31,594.07	59,832.12	677,421.36	22,106.85	41,259.40	1,352,139.13
California Sub Total :	19,255	372,280.36	712,570.91	13,070,650.59	257,305.29	512,459.73	10,197,937.29

Colorado

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Arapaho/Roosevelt National Forest	676	6,321.50	12,643.00	44,875.37	6,866.51	13,733.02	56,747.75
Grand/Mesa/Uncompahgre/Gunnison National Forest	1,250	46,585.69	93,171.38	231,339.87	19,572.60	40,026.12	274,874.57
Rocky Mountain National Forest	2,215	6,416.15	12,832.30	123,904.60	9,820.72	20,389.91	193,826.42
Pike-San Isabel National Forest	1,743	22,874.06	45,748.12	109,058.18	10,183.62	21,018.44	168,947.32
Rio Grande National Forest	310	41,076.49	81,752.98	745,590.43	14,186.76	27,659.24	297,315.97
San Juan National Forest	1,249	17,898.93	35,797.86	87,110.48	11,778.07	23,759.82	46,050.78
White River National Forest							
Colorado Sub Total :	7,941	166,624.65	332,275.81	1,882,027.49	89,167.91	180,094.20	1,078,106.19



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 4 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)
CONVERTIBLE PRODUCTS (Continued)

Florida

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
NFS in Florida National Forest	83	44,984.42	82,776.68	2,807,778.91	32,728.43	62,037.13	3,887,238.28
Florida Sub Total :	83	44,984.42	82,776.68	2,807,778.91	32,728.43	62,037.13	3,887,238.28

Georgia

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Chattahoochee/Oconee National Forest	260	10,472.78	19,566.19	235,336.36	9,191.06	18,344.95	242,195.78
Georgia Sub Total :	260	10,472.78	19,566.19	235,336.36	9,191.06	18,344.95	242,195.78

Idaho

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Boise National Forest	3,205	13,480.47	25,667.74	969,755.67	17,452.88	31,552.64	886,200.90
Caribou/Targhee National Forest	2,481	6,778.28	11,963.24	126,999.57	6,692.10	11,784.02	110,422.56
Idaho Panhandle National Forest	2,232	59,680.03	119,552.50	4,488,562.85	72,610.34	137,609.03	7,820,363.19
Nez Perce-Clearwater National Forest	1,767	73,948.61	137,285.23	5,348,173.22	59,404.25	109,747.66	6,698,638.91
Payette National Forest	1,358	11,737.84	20,122.89	1,000,275.58	12,787.57	22,792.17	1,220,962.09
Sawtooth National Forest	1,857	6,149.24	11,577.73	111,448.62	5,694.82	10,038.95	87,141.09
Idaho Sub Total :	14,578	178,138.96	336,860.32	12,139,262.59	180,122.07	333,202.86	16,864,461.77

Illinois

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Shawnee National Forest	75	6,072.64	10,100.68	214,592.45	1,085.76	1,956.02	31,554.38
Illinois Sub Total :	75	6,072.64	10,100.68	214,592.45	1,085.76	1,956.02	31,554.38



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 5 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

CONVERTIBLE PRODUCTS (Continued)

Indiana

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Hoosier National Forest	49	6,056.40	9,916.54	431,413.48	3,691.46	6,055.24	459,021.71
Indiana Sub Total :	49	6,056.40	9,916.54	431,413.48	3,691.46	6,055.24	459,021.71

Kentucky

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Daniel Boone National Forest	190	3,791.96	7,943.62	265,917.10	1,916.02	3,656.37	180,115.63
Land Between The Lakes National Forest	23	11.50	23.00	460.00	12.00	24.00	460.00
Kentucky Sub Total :	213	3,803.46	7,966.62	265,677.10	1,930.02	3,680.37	180,595.63

Louisiana

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Kisatchie National Forest	83	75,251.34	137,878.28	6,646,257.52	53,446.51	101,453.81	4,203,928.22
Louisiana Sub Total :	83	75,251.34	137,878.28	6,646,257.52	53,446.51	101,453.81	4,203,928.22

Maine

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
White Mountain National Forest	1	1,505.55	2,433.49	106,657.44	.00	.00	.00
Maine Sub Total :	1	1,505.55	2,433.49	106,657.44	.00	.00	.00



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 6 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

CONVERTIBLE PRODUCTS (Continued)

Michigan

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Hawatha National Forest	411	43,993.06	72,889.35	4,150,940.04	23,469.18	39,254.30	1,963,434.36
Huron Manistee National Forest	1,774	75,301.10	125,846.70	3,496,555.51	36,124.18	59,309.33	2,181,432.15
Ottawa National Forest	261	82,546.91	134,659.19	3,474,976.73	58,727.48	96,466.82	4,091,063.08
Michigan Sub Total :	2,446	201,843.07	333,395.24	11,622,472.28	118,360.84	195,030.45	8,235,949.59

Minnesota

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Chippewa National Forest	244	43,807.84	73,716.43	3,617,490.58	43,754.56	71,606.26	3,128,212.91
Superior National Forest	173	66,365.75	108,249.23	2,473,343.84	48,913.18	79,406.74	1,587,163.59
Minnesota Sub Total :	417	110,173.59	181,965.66	6,090,834.42	92,667.74	151,013.00	5,115,376.49

Mississippi

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
NFS in Mississippi National Forest	88	114,211.43	200,620.85	4,044,683.89	69,614.58	134,082.73	3,008,386.52
Mississippi Sub Total :	88	114,211.43	200,620.85	4,044,683.89	69,614.58	134,082.73	3,008,386.52

Missouri

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Mark Twain National Forest	611	69,845.52	114,625.02	10,393,759.77	50,895.64	83,142.23	7,454,329.62
Missouri Sub Total :	611	69,845.52	114,625.02	10,393,759.77	50,895.64	83,142.23	7,454,329.62



Cut and Sold (New) - CUTS204S

Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 7 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

CONVERTIBLE PRODUCTS (Continued)

Montana

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Beaverhead/Deerlodge National Forest	2,212	23,231.21	50,194.02	429,673.06	15,794.05	35,199.41	517,081.96
Flathead National Forest	1,569	12,539.14	27,719.84	178,853.07	14,983.07	33,468.33	179,833.33
Glacier National Forest	3,250	12,729.80	27,375.09	814,953.07	9,834.08	22,016.75	66,232.07
Flathead National Forest	2,008	50,614.83	98,592.19	3,299,767.21	18,547.81	38,515.14	1,526,202.71
Helena - Lewis & Clark National Forest	3,763	41,487.42	94,116.34	919,451.19	27,878.78	65,439.68	479,396.64
Idaho Panhandle National Forest	1	193.20	272.00	16,208.00	163.20	272.00	16,208.00
Kootenai National Forest	1,590	86,227.52	165,055.75	5,855,322.85	90,671.15	178,350.99	7,154,578.44
Lolo National Forest	2,019	50,167.24	102,472.39	2,025,040.77	60,104.09	120,603.07	2,223,363.56
Montana Sub Total :	16,203	274,168.66	562,593.95	13,402,059.39	228,367.98	473,444.57	12,100,926.37

Nebraska

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Nebraska National Forest	23	23.20	46.40	290.00	469.75	939.50	3,676.72
Nebraska Sub Total :	23	23.20	46.40	290.00	469.75	939.50	3,676.72

Nevada

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Humboldt & Toiy National Forest	594	858.82	1,467.75	15,985.00	984.32	1,477.10	15,976.00
Lake Tahoe Basin National Forest	0	.00	.00	.00	125.00	250.00	1,250.00
Nevada Sub Total :	594	858.82	1,467.75	15,985.00	989.32	1,727.10	17,226.00

New Hampshire

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
White Mountain National Forest	179	9,540.14	15,501.79	610,784.46	7,363.62	11,922.93	555,633.64
New Hampshire Sub Total :	179	9,540.14	15,501.79	610,784.46	7,363.62	11,922.93	555,633.64



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 8 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)							
CONVERTIBLE PRODUCTS (Continued)							
New Mexico							
Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Carson National Forest	3,419	10,130.11	16,011.24	80,599.10	12,216.98	20,503.48	136,723.03
Cibola National Forest	3,338	12,447.02	21,528.45	94,221.79	9,623.46	15,732.30	79,660.40
Gila National Forest	2,789	6,283.39	10,652.02	48,314.69	7,034.59	12,226.72	56,488.82
Grand National Forest	1,151	3,126.15	5,178.81	22,481.31	3,549.22	5,841.63	24,641.63
Santa Fe National Forest	4,601	13,656.23	21,934.69	151,956.65	14,431.22	23,866.86	122,268.90
New Mexico Sub Total :	15,057	46,238.00	76,642.87	423,512.83	46,892.47	78,703.81	430,782.33
New York							
Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Green Mountain National Forest	17	20.00	31.60	400.00	20.00	31.60	400.00
New York Sub Total :	17	20.00	31.60	400.00	20.00	31.60	400.00
North Carolina							
Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
NFS in N. Carolina National Forest	497	12,770.42	23,517.27	1,126,947.28	19,404.69	37,091.07	1,515,488.79
North Carolina Sub Total :	497	12,770.42	23,517.27	1,126,947.28	19,404.69	37,091.07	1,515,488.79
Ohio							
Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Wayne National Forest	136	12,788.54	20,914.24	605,900.11	2,701.33	4,391.48	204,919.94
Ohio Sub Total :	136	12,788.54	20,914.24	605,900.11	2,701.33	4,391.48	204,919.94



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 9 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)
CONVERTIBLE PRODUCTS (Continued)

Oklahoma

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Ouachita National Forest	14	19,135.58	35,078.87	851,929.16	19,299.07	38,203.67	944,363.25
Oklahoma Sub Total :	14	19,135.58	35,078.87	851,929.16	19,299.07	38,203.67	944,363.25

Oregon

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Deschutes National Forest	3,590	32,727.69	64,532.28	1,869,554.10	32,727.64	64,530.80	253,179.81
Forest Management National Forest	2,447	20,536.98	41,073.96	1,052,567.94	20,536.92	41,073.85	1,529,177.59
Malheur National Forest	1,857	81,659.25	122,439.88	3,512,594.15	81,645.15	155,838.35	533,650.05
Mt. Hood National Forest	1,042	35,689.81	68,145.94	3,269,284.42	32,326.52	62,051.77	2,324,078.37
Ochoco National Forest	1,373	13,581.96	27,202.13	84,385.74	11,191.68	22,123.32	63,217.24
Rogue River-Siskiyou National Forest	871	28,459.46	50,852.26	3,087,266.39	50,727.25	87,201.04	6,416,784.88
Siuslaw National Forest	357	40,532.25	75,422.09	4,286,045.04	53,825.59	100,514.59	9,829,903.19
Umpqua National Forest	1,076	18,587.60	36,175.20	1,053,863.40	18,587.60	36,175.20	5,879,873.32
Willamette National Forest	2,444	28,087.99	54,932.08	863,600.43	31,440.33	54,024.43	5,275,870.70
Willamette National Forest	1,564	102,445.46	189,857.20	8,123,594.52	18,357.81	35,855.72	574,049.23
Oregon Sub Total :	17,229	444,127.32	850,921.61	30,126,472.96	448,040.77	848,765.51	37,366,225.91

Pennsylvania

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Allegheny National Forest	763	46,055.28	74,504.94	9,063,429.77	40,136.09	64,725.80	8,379,844.02
Pennsylvania Sub Total :	763	46,055.28	74,504.94	9,063,429.77	40,136.09	64,725.80	8,379,844.02



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 10 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

CONVERTIBLE PRODUCTS (Continued)

South Carolina

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Francis Marion-Sumter National Forest	156	64,010.35	121,373.91	3,651,117.06	51,197.44	100,697.64	2,634,034.10
South Carolina Sub Total :	156	64,010.35	121,373.91	3,651,117.06	51,197.44	100,697.64	2,634,034.10

South Dakota

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Black Hills National Forest	1,430	65,577.14	132,757.69	4,106,794.66	72,465.63	149,660.66	2,063,722.48
Custer-Gallatin National Forest	0	161.49	337.76	.00	1,055.76	2,424.30	6,553.86
South Dakota Sub Total :	1,430	65,738.63	133,095.47	4,106,794.66	73,545.59	151,915.19	2,070,256.06

Tennessee

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Cherokee National Forest	133	2,979.79	5,408.09	139,892.14	1,824.89	3,439.48	24,093.73
Tennessee Sub Total :	133	2,979.79	5,408.09	139,892.14	1,824.89	3,439.48	24,093.73

Texas

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
NFS in Texas National Forest	71	65,050.17	119,995.79	4,185,508.90	18,266.89	34,270.86	969,097.83
Texas Sub Total :	71	65,050.17	119,995.79	4,185,508.90	18,266.89	34,270.86	969,097.83



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales, All Sales

Page: 11 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)
CONVERTIBLE PRODUCTS (Continued)

Utah

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Ashley National Forest	1,221	2,901.84	5,142.90	29,848.14	3,359.73	6,266.23	48,030.06
Dixie National Forest	1,419	4,429.91	7,876.60	33,858.42	18,356.13	33,782.61	206,966.10
Fishlake National Forest	1,015	3,022.32	3,479.68	22,485.00	2,334.32	4,026.25	38,262.08
High Uintas National Forest	1,101	62,246.35	117,246.35	2,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Utah-Wasatch-Cache National Forest	1,829	30,172.01	71,932.77	1,165,012.24	8,946.65	18,779.80	261,080.30
Utah Sub Total :	6,665	101,772.94	205,800.55	1,534,456.19	41,328.39	76,511.79	668,554.78

Vermont

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Green Mountain National Forest	94	10,107.15	16,253.56	405,373.72	6,167.13	9,932.79	379,325.37
Vermont Sub Total :	94	10,107.15	16,253.56	405,373.72	6,167.13	9,932.79	379,325.37

Virginia

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
George Washington & Jefferson National Forest	1,477	25,218.77	46,294.98	886,472.06	12,938.78	24,725.54	493,201.01
Virginia Sub Total :	1,477	25,218.77	46,294.98	886,472.06	12,938.78	24,725.54	493,201.01



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 12 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)
CONVERTIBLE PRODUCTS (Continued)

Washington

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Columbia River Gorge National Scenic Area National Forest	0	.00	.00	.00	8.32	16.00	8.00
Colville National Forest	312	87,110.65	167,645.48	9,860,560.92	89,272.86	170,742.79	9,188,751.93
Crater Lake National Forest	924	36,659.43	68,396.43	3,644,235.00	18,742.82	35,975.32	1,341,816.23
Idaho Panhandle National Forest	0	.00	.00	.00	20.79	40.42	508.03
Mt. Baker-Snoqualmie National Forest	633	2,740.65	5,094.11	125,106.95	5,570.88	10,268.55	456,553.23
Okanogan-Wenatchee National Forest	3,146	18,866.07	36,837.31	662,542.32	37,810.36	72,893.53	2,874,251.56
Olympic National Forest	745	4,971.07	9,231.97	121,809.16	18,042.45	33,349.38	1,238,536.83
Umatilla National Forest	485	10,731.27	21,357.32	331,507.24	13,236.80	26,159.24	1,247,305.47
Washington Sub Total :	6,249	161,174.14	308,862.39	13,346,762.48	192,909.89	349,350.17	16,547,264.45

West Virginia

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
George Washington & Jefferson National Forest	0	39.03	71.54	.00	1,551.12	3,102.23	43,928.74
Monongahela National Forest	373	16,191.48	26,803.36	1,313,482.27	13,454.09	22,259.87	1,559,360.27
West Virginia Sub Total :	373	16,230.51	26,874.90	1,313,482.27	15,005.21	25,362.10	1,603,289.01

Wisconsin

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Chequamegon/Nicolet National Forest	1,047	123,660.33	203,473.25	7,918,143.86	87,420.45	141,977.78	5,007,703.79
Wisconsin Sub Total :	1,047	123,660.33	203,473.25	7,918,143.86	87,420.45	141,977.78	5,007,703.79



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 13 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)
CONVERTIBLE PRODUCTS (Continued)

Wyoming

Forest	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
Bighorn National Forest	815	8764.89	17,902.58	79,774.57	6,662.01	13,301.94	55,357.23
Black Hills National Forest	137	20,815.01	40,378.05	1,201,752.30	23,614.97	44,898.41	1,301,347.20
Brigade National Forest	1,955	3,532.50	9,745.11	78,028.13	6,897.51	12,212.82	454,642.93
Bridger-Teton National Forest	2,445	14,445.26	28,745.52	70,865.85	2,427.22	4,656.42	414,420.01
Devils Postpile National Forest	1,041	13,195.76	26,391.50	310,876.17	9,385.05	20,934.80	113,141.79
Shoshone National Forest	0	92.82	162.83	.00	1,351.17	3,817.65	9,377.65
Unita-Wasatch-Cache National Forest	5,993	92,825.21	167,355.55	2,378,385.34	72,145.83	144,816.17	2,950,023.81
Wyoming Sub Total :	135,351	3,271,722.02	6,135,761.63	184,108,098.15	2,556,246.38	4,830,566.11	164,208,399.34



Cut and Sold (New) - CUTS204S
 Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
 Filter: All Sales ,All Sales

Page: 14 of 20
 Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

NON-CONVERTIBLE PRODUCTS						
State	Christmas Number	Sold Trees Value	Sold Miscellaneous Value	Sold Total Value	Cut Christmas Trees-Number	Cut Total Value
Alabama	2	10.00	140.45	150.45	2	150.45
Alaska	0	.00	593.40	593.40	0	593.40
Arizona	7,143	108,619.50	5,563.25	114,182.75	9,674	151,657.50
California	43,070	372,679.00	56,972.38	429,651.38	46,140	445,552.78
Colorado	5,960	47,746.00	13,285.50	61,032.50	7,374	68,727.50
Florida	311	2,177.00	11,650.00	14,027.00	285	13,723.00
Georgia	0	.00	1,600.00	1,600.00	0	1,623.00
Idaho	25,963	226,165.00	7,530.95	233,715.95	25,969	233,310.95
Kentucky	0	.00	640.00	640.00	0	660.00
Louisiana	0	.00	600.00	600.00	0	600.00
Michigan	349	1,745.00	5,068.00	6,813.00	349	6,813.00
Minnesota	304	1,520.00	7,168.25	8,688.25	304	8,833.25
Mississippi	0	.00	663.00	663.00	0	663.00
Missouri	0	.00	3,166.00	3,166.00	0	3,166.00
Montana	16,410	80,370.00	4,476.00	84,846.00	16,669	85,601.00
Nebraska	87	870.00	.00	870.00	87	870.00
Nevada	790	3,950.00	1,200.00	5,150.00	790	30,350.00
New Hampshire	838	4,190.00	2,165.95	6,355.95	848	6,356.05
New Mexico	10,706	96,648.00	10,082.00	106,730.00	11,831	113,135.00
North Carolina	0	.00	36,415.00	36,415.00	0	38,245.00
Ohio	0	.00	2,920.00	2,920.00	0	2,920.00
Oregon	42,052	84,412.00	420,711.31	505,123.31	47,029	522,550.81
South Carolina	0	.00	100.00	100.00	0	100.00
South Dakota	100	1,000.00	3,360.00	4,360.00	2	3,400.00
Tennessee	0	.00	6,640.00	6,640.00	0	6,100.00
Utah	21,775	94,489.00	107,536.30	202,025.30	21,175	118,733.10
Vermont	378	1,890.00	5,948.85	7,738.85	378	7,738.85
Virginia	0	.00	20.00	20.00	0	20.00
Washington	21,574	44,713.00	671,464.34	716,207.34	23,164	635,477.85
West Virginia	44	220.00	3,800.00	4,020.00	44	4,020.00
Wisconsin	742	3,710.00	11,338.80	15,048.80	742	15,628.80
Wyoming	3,173	15,897.00	5,405.00	21,302.00	3,173	21,319.50
Totals:	201,771	1,193,040.50	1,498,375.73	2,691,416.23	216,249	2,546,583.79



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter
Report Type: Quarterly
Filter: All Sales, All Sales

Page: 15 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

NUMBER OF SALES MADE

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Beaverhead/Deerlodge National Forest	1,622	2,208		1	1			2,212	3,634
Bitterroot National Forest	411	1,359						1,360	1,771
Custer Gallatin National Forest	10,193	3,248	1	1	5			3,250	13,443
Flathead National Forest	80	2,000	3	4	1			2,008	2,088
Helena - Lewis & Clark National Forest	3	3,758						3,763	3,768
Missoula National Forest	1,360	1,222	16	7	4	2		2,599	3,000
Kootenai National Forest	114	1,563	15	7	4			1,590	1,704
Lolo National Forest	2,533	2,007	4	5	3	1		2,019	4,552
Nez Perce-Clearwater National Forest	794	1,757	3	3	5			1,767	2,561
Region (R1, Northern Region) Total :	17,110	20,122	32	24	20	4		20,202	37,312

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Apache/Rooseval National Forest	23	869	7	4	1			815	849
Big Horn National Forest	27	810	4	4	3			815	842
Black Hills National Forest	97	1,544	4	1	16			1,567	1,664
Grand/Mesa/Uncompahgre/Gunnison National Forest	17	1,243	5	1	1			1,250	1,267
Medicine Bow-Routt National Forest	167	2,530	1	9	3			2,543	2,710
Nebraska National Forest	11	23						23	34
Prescott National Forest	2,110	2,255	7	7				2,259	4,325
Pioche National Forest	2	1,734	0					1,734	1,737
San Juan National Forest	41	1,294	10	7				1,310	1,420
Shoshone National Forest	110	293	3	3				1,041	1,070
White River National Forest	29	1,035	3	3				1,041	1,070
Region (R2, Rocky Mountain Region) Total :	2,723	13,326	58	27	20			13,432	16,165

Forest	Non Convertible Products	To \$300	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Apache/Sitgreaves National Forest	2,353	4,951	1	5	1			4,958	7,311
Canon National Forest	3,051	3,419	14	1				3,419	6,470
Cibola National Forest	631	3,323	3	2	3			3,338	3,969
Coconino National Forest	966	3,824	3	2				3,832	4,788
Coronado National Forest	13	720						720	733
Gila National Forest	325	2,786	3	1	1			2,789	3,114
Grand Staircase-Escalante National Forest	1,325	2,550	7					2,562	3,000
Lincoln National Forest	1,841	903						910	2,851
Prescott National Forest	632	868						868	1,481
Santa Fe National Forest	2,415	4,596	5	1				4,601	7,016
Tonto National Forest	27	1,294						1,294	1,321
Region (R3, Southwestern Region) Total :	13,791	23,010	33	10	5	1		23,059	42,850



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter
Report Type: Quarterly
Filter: All Sales, All Sales

Page: 16 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

NUMBER OF SALES MADE (Continued)

Forest	Non Convertible Products	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Ashley National Forest	1,021	1	1	1			1,221	2,242
Boise National Forest	4,835	7					3,205	8,040
Bridger-Teton National Forest	2,379	1,954	1				1,955	4,334
Caribou-Targhee National Forest	6,483	2,474	5	2			2,481	8,964
Dixie National Forest	171	1,418	1				1,419	1,490
Flamingo National Forest	130	1,015					1,145	1,165
Humboldt-Toiy National Forest	489	1,289					1,298	1,744
Manitou National Forest	704	1,178	2	1			1,181	1,895
Payette National Forest	112	1,336			2		1,338	1,450
Salmon-Challis National Forest	91	1,694	4				1,698	1,789
Sawtooth National Forest	58	1,850	6	1			1,857	1,915
Umta-Wasatch-Cache National Forest	2,923	1,825	1	3			1,829	4,752
Region (R4, Intermountain Region) Total :	19,293	20,418	28	6	6		20,467	39,760

Forest	Non Convertible Products	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Angeles National Forest	54	110					110	164
Cleveland National Forest	3	101					101	104
Eldorado National Forest	304	1,047	2	3			1,052	1,356
Inyo National Forest	125	1,251	1				1,252	1,281
Klamath National Forest	316	1,808	4	1			1,814	2,126
Lake Tahoe Basin National Forest	81	185					189	270
Lassen National Forest	1,016	3,213	5	4	1		3,223	4,239
Los Padres National Forest	68	218					218	218
Mendocino National Forest	159	258	4	1			263	331
Modoc National Forest	139	775	2	1			777	820
Panama National Forest	223	2,013	1	5			2,021	2,251
San Bernardino National Forest	14	797					797	811
Sequoia National Forest	6	1,442	8				1,450	1,456
Shasta-Trinity National Forest	1,452	1,988	4	3	2		1,997	3,449
Sierra National Forest	237	614	4				619	856
Six Rivers National Forest	353	1,224	4	1			1,254	1,357
Siwash National Forest	174	1,262	7	2	1		1,284	1,354
Tahoe National Forest	234	810	2	3	2		817	1,051
Region (R6, Pacific S-West Region) Total :	4,706	18,505	47	23	16		18,591	23,297

Forest	Non Convertible Products	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Colville National Forest	882	306					312	1,194
Deschutes National Forest	8,917	3,362	4	1	5		3,386	12,507
Premont-Winema National Forest	2,209	2,440	3	2	1		2,447	4,056



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter
Report Type: Quarterly
Filter: All Sales, All Sales

Page: 17 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

NUMBER OF SALES MADE (Continued)

Forest	Non Convertible Products	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Gifford Pinchot National Forest	7,367	921	2	2	6	1	928	8,295
Malheur National Forest	113	1,848	2	1	1		1,857	1,970
Mt. Baker/Snoqualmie National Forest	5,923	632					633	6,556
Mt. Hood National Forest	5,416	1,039				1	1,042	6,458
Ochoco National Forest	7,334	1,371	2		2		1,373	2,707
Olympic National Forest	7,358	3,171	7		1		3,175	10,235
Chugach National Forest	2,258	742		2			745	3,003
Rogue River-Siskiyou National Forest	8,023	868	3	7	2	1	871	8,894
Siuslaw National Forest	2,403	349	2	1	5		357	2,760
Umpqua National Forest	2,415	1,753	1	4	1		1,759	4,174
Willow National Forest	2,893	404	1	3	2		410	3,403
Winema National Forest	1,355	2,404	1	1	3		2,409	4,239
Williamette National Forest	4,835	1,539	8	6	11		1,564	6,399
Region (R8, Pacific N-West Region) Total :	64,076	23,362	35	33	38	10	23,478	87,554

Forest	Non Convertible Products	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Chattahoochee/Oconee National Forest	779	256	4				260	339
Cherokee National Forest	175	132		1			133	308
Daniel Boone National Forest	32	158		1			159	222
Franklin D. Roosevelt National Forest	35	130	5	8	13		150	161
George Washington & Jefferson National Forest	1	1,463	4	9	1		1,477	1,478
Kisatchie National Forest	2	62	4	1	16		83	85
Land Between The Lakes National Forest		23					23	23
NFS in Alabama National Forest	10	131	2	3	9		145	155
NFS in Florida National Forest	496	72	1	1	6		499	1,353
NFS in Maryland National Forest	38	70	3	6	7		86	124
NFS in Texas National Forest	750	52	4	5	10		771	771
NFS in N. Carolina National Forest		493	1	3	3		497	1,287
Quachita National Forest		233	4	6	12		255	255
Ozark St. Francis National Forest		426	3	7	6		442	442
Region (R8, Southern Region) Total :	1,586	3,732	31	62	88		3,903	5,489

Forest	Non Convertible Products	\$301 To \$10,000	\$10,001 To \$100,000	\$100,001 To \$1,000,000	\$1,000,001 To \$5,000,000	\$5,000,001 and Over	Total Convertible Products	Total Number Of Sales
Allegheny National Forest	192	709	18	12	24		763	763
Chequamegon/Nicolet National Forest	89	1,002	5	17	23		1,047	1,239
Chippewa National Forest	21	227	1	4	12		244	333
Green Mountain National Forest		107	1	2	1		111	132
Hawatha National Forest	49	401	2	2	6		411	460
Hooder National Forest		45	1	2	1		49	49



Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Report Type: Quarterly
Filter: All Sales ,All Sales

Page: 18 of 20
Run Date: 01/14/2020 08:22 AM

SERVICE-WIDE (Continued)

NUMBER OF SALES MADE (Continued)

Forest	Non Convertible Products	\$300		\$10,000		\$100,000		\$1,000,000		\$5,000,000		Total Convertible Products	Total Number Of Sales
		To	From	To	From	To	From	To	From	To	From		
Huron-Manistee National Forest	7	1,743		16		6		9				1,774	1,781
Mark Twain National Forest	18	577		2		11		21				611	629
Monongahela National Forest	205	368		1		2		2				373	578
Ottawa National Forest	63	232		6		11		12				261	324
Shawnee National Forest	72	72						1				75	75
Superior National Forest	68	148		5		14		6				173	241
Waynes National Forest	184	184		2		3		3				186	232
White Mountain National Forest	36	173		1		3		3				180	216
Region (R9, Eastern Region) Total :	894	5,934		61		90		123				6,208	7,102

Forest	Non Convertible Products	\$300		\$10,000		\$100,000		\$1,000,000		\$5,000,000		Total Convertible Products	Total Number Of Sales
		To	From	To	From	To	From	To	From	To	From		
Chugach National Forest	6			1		1		1				2	8
Tongass National Forest	1	35		10		3		1				49	50
Region (R10, Alaska Region) Total :	7	35		11		4		1				51	58



Report Type: Quarterly
Filter: All Sales ,All Sales

Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Page: 19 of 20
Run Date: 01/14/2020 06:22 AM

REPORT LEGEND
Convertible Products

*** Legend for CUTS203 is Under Construction ***



Report Type: Quarterly
Filter: All Sales ,All Sales

Cut and Sold (New) - CUTS204S
Cumulative FY 2019 Q1 to FY 2019 Q4 as of 2019 4th quarter

Page: 20 of 20
Run Date: 01/14/2020 08:22 AM

Where Clause: Where (report_date between to_date('10/01/2018 00:00:00','mmdd/yyyy hh24:mi:ss') and
to_date('09/30/2019 23:59:59','mmdd/yyyy hh24:mi:ss')) and T=1 and stewardship_indicator in ('N','Y')
and good_neighbor_auth_indicator in ('N','Y') and (SNAPSHOT_FISCAL_YEAR = 2019 AND
SNAPSHOT_QUARTER = 4)

Sorting Criteria:

End of Report

Summary of Forest ASQ and FY2019 Cut and Sold
Northern Region (R1)

Forest Info		ASQ Data (Volumes in Million MBF)					FY 2019 Timber Volume Cut and Sold						
Forest Code		Common ASQ (MBF)	ASQ Decade 1	ASQ Decade 2	PTSQ [budget constrained] Decade 1	PTSQ [budget constrained] Decade 2	Sold Number of Sales	Sold Volume (MBF)	Sold Volume (CCF)	Sold Value (\$)	Cut Volume (MBF)	Cut Volume (CCF)	Cut Value (\$)
102	Beaverhead/Deerlodge National Forest	13,300	13.3	13.3			3,834.00	23,231.21	50,194.02	437,959.06	15,794.05	35,199.41	525,367.56
103	Bitterroot National Forest	31,200	31.2	31.2			1,771.00	9,547.34	21,516.17	81,038.24	5,373.92	13,047.53	124,347.37
104	Idaho Panhandle National Forest	124,900	124.9	124.9			3,593.00	61,047.73	121,681.50	4,515,621.85	72,794.33	137,921.45	7,848,055.22
110	Flathead National Forest	-			27.3	27.4	2,088.00	50,614.83	98,582.19	3,269,257.21	18,547.81	38,515.14	1,526,692.71
111	Custer**	3,000	3			6-15 ¹	13,443.00	12,891.39	27,712.87	866,718.07	10,897.84	24,241.05	124,550.65
111	Gallatin**	21,000	21			*							
114	Kootenai National Forest	80,200	80.2	80.2			1,704.00	86,227.52	168,055.75	5,856,602.85	90,671.15	178,350.99	7,156,463.44
115	Helena**	15,000	15	15		19-36 ²	3,766.00	41,516.70	94,180.31	919,706.19	27,878.78	65,439.68	479,671.64
115	Lewis and Clark**	12,100	12.1			*							
116	Idaho**	107,000	107	131			4,552.00	50,167.24	102,472.39	2,039,415.77	60,104.09	120,603.07	2,239,758.58
117	Clearwater**	173,300	173.3	212		*							
117	Nez Perce**	108,000	108	140		60-261 ³	2,561.00	73,948.61	137,288.23	5,352,433.22	59,404.25	109,747.66	6,702,803.91

Notes:

- *Range of PTSQ alternatives in the plan revision DEIS
- ** 1986-era plans may not fully account for current policy such as Roadless Rule
- 1 For Custer and Gallatin combined
- 2 For Helena and Lewis and Clark combined*
- 3 For Nez Perce and Clearwater combined*

Questions for the Record Submitted to Ms. Denise Flanagan
 Senate Committee on Energy and Natural Resources
 Federal Payments to Local Governments
 provided through the Secure Rural Schools and Payments in Lieu of Taxes Programs
 and S. 430, S. 1643 and S. 2108
 November 21, 2019

Question from Chairman Lisa Murkowski

Question: Understanding that anticipating projected PILT payments is a difficult task, please provide an estimate of the impact of S. 2108 for payments for the State of Alaska (at the borough and census area level) for FY 2019, had the bill been enacted at the time payments were distributed.

Response: Including the same variables used to calculate 2019 PILT payments and applying the new population values, the overall payment to the State of Alaska would increase by approximately \$571,000. The table below provides estimated adjustments at the local government level.

<u>LOCAL GOVERNMENT</u>	<u>EST. PAYMENT INCREASE</u>
ALEUTIANS EAST BOROUGH	\$7,287
BRISTOL BAY BOROUGH	\$13,098
DENALI BOROUGH	\$74,338
HOONAH-ANGOON CENSUS AREA	\$61,102
LAKE & PENINSULA BOROUGH	\$158,971
MUNICIPALITY-SKAGWAY	\$38,520
PETERSBURG BOROUGH	\$23,878
WRANGELL BOROUGH	\$152,666
YAKUTAT BOROUGH	\$41,012
TOTAL	\$570,872

Note: Due to the variability of program inputs, these estimates are provided for order of magnitude only and do not fully indicate the impact of this legislation on future payments.

Questions for the Record Submitted to Ms. Denise Flanagan
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 November 21, 2019

Questions from Ranking Member Joe Manchin III

Question 1: As I understand it, S. 2108, the *Small County PILT Parity Act*, would increase the authorization level for the PILT program and modify the formula for distributing PILT payments. If funding for PILT remains flat (in other words if Congress doesn't appropriate additional funding to cover the difference between full funding at the current authorization level and the increased authorization level), how would the payments to West Virginia counties be impacted?

Response: Payments are calculated annually based on statutory formula inputs described in 31 U.S.C. 69. If Congress appropriates a fixed dollar amount for PILT that is less than the sum of total calculated payments under the PILT formula for a given fiscal year, then the amount paid to each municipality is based on a pro rata share of the total appropriated funding for that year (less program administrative expenses). So legislation that would increase the authorized PILT payments for select local governments would result in a corresponding decrease in the available funds to be paid to all other local governments receiving PILT payments that year.

In a "full funding" situation, such as Congress enacted in FY 2019, the Department issues the amount of the full statutory calculation less \$400,000 for administrative costs. In such a scenario, each local government, including West Virginia counties, would receive the full payment with no funding limit (less a proportionate share of administrative expenses).

Question 2: The Administration testified that it does not support S. 1643, the *Forest Management for Rural Stability Act*, which would set up a new program to pay out Secure Rural Schools payments and Refuge Revenue payments. Would the Administration be supportive of a legislative effort to combine Refuge Revenue payments with PILT payments? Would that lessen the Administrative burden on the agency?

Response: Refuge Revenue payments and PILT payments are managed by two different parts of the Department. The U.S. Fish and Wildlife Service maintains the personnel and systems required to collect data, manage program requirements, and issue Refuge Revenue payments, while Interior's Office of Budget maintains the personnel and systems required to collect data, manage program requirements, and issue PILT Payments. A full analysis of both programs would be required to determine whether combining the two programs would create any efficiencies or reduce Administrative burden.

Question 3: S. 2108, the *Small County PILT Parity Act*, would modify the PILT formula and change the amount of funding distributed under the program for certain counties. The counties that would be

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impacted are counties with populations of less than 5,000 individuals and whose payments are subject to the population cap, under the PILT formula.

- a. How many counties have a population under 5,000 and are subject to the population cap (and would have their funding changed should S. 2108 be enacted)?**

Response: The table below reflects estimates based on FY 2019 program data inputs. Due to the variability of program inputs from year to year, the actual number of affected counties may differ from these figures and may change over time.

DESCRIPTION	# of COUNTIES
Counties with <5,000 population	302
Counties with <5,000 population with payments changes under S. 2108	46
Counties with <5,000 population subject to population cap with payments changes under S. 2108	43

- b. Please provide us a table listing the counties whose payments would be impacted; the amount of PILT funding each impacted county actually received in 2017, 2018, and 2019; and the re-calculated amount of PILT funding each impacted county would have received in 2017, 2018, and 2019 if S. 2108 was previously enacted?**

Response: Attachment A displays the information requested for each PILT payment year. Please note the following:

1) The FY 2017 PILT program was subject to fixed appropriations of \$465 million, so the estimated increases associated with S. 2108 would cause a corresponding decrease (~0.5%) in available funds to be paid to other local governments receiving PILT payments in that year. The offsetting reductions are not reflected in this table.

2) FY 2018 PILT estimates reflect the lack of authorization of the Secure Rural Schools program and are generally higher than FY 2017 and FY 2019.

The population dollar values used in producing these estimates were deflated from the 2019 values reflected in S. 2108 based on the actual Consumer Price Index (CPI) in use for the PILT program in that year (2.25% for FY 2019, 1.84% for FY 2018). The dollar values used in the computations are shown in the table below for reference:

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POPULATION	FY 2017	FY 2018	FY 2019
1,000	\$ 244.31	\$ 248.80	\$ 254.40
2,000	\$ 221.51	\$ 225.58	\$ 230.66
3,000	\$ 203.59	\$ 207.33	\$ 212.00
4,000	\$ 190.56	\$ 194.06	\$ 198.43
5,000	\$ 179.15	\$ 182.45	\$ 186.56

Note: Due to the variability of program inputs, program impact estimates provide order of magnitude only and may not fully indicate the impact of this legislation on future payments.

c. Of the impacted counties listed above, which counties would receive less funding if S. 2108 was enacted, even if Congress appropriated funding at the new increased authorization level?

Response: Based on FY 2019 payment information, the Department estimates enactment of S. 2108 would cause a decreased PILT payment for the counties listed below:

STATE	LOCAL GOVERNMENT	2017	2018	2019
AK	HAINES BOROUGH		-\$4,232	
ID	ONEIDA COUNTY	-\$7,830	-\$16,128	-\$32,156
NM	HILDAGO COUNTY	-\$33,256	-\$8,654	-\$9,414
NM	CATRON COUNTY	-\$11,139		
NV	MINERAL COUNTY		-\$35,455	
UT	PIUTE COUNTY		-\$18,659	-\$10,507

Under the current PILT statute, payments for counties with populations below 5,000 are calculated using the actual population times the population dollar value for 5,000. So, for example, in 2019 Oneida County has a population of 4,427 and the 5,000 population dollar value is \$186.56, making their population cap amount \$825,901.12.

S. 2108 requires all counties be rounded to the nearest population segment and then calculate the dollar value. In the case of Oneida County in 2019, for example, their population (4,427) rounds down to 4,000 before being multiplied by the higher population dollar value of \$198.43. Under S. 2108, their population cap is \$793,720.00, which lowers their PILT payment.

d. If S. 2108 was enacted, how much would you predict it would increase the PILT program's authorization level for FY 20?

Response: The FY 2020 calculation is not yet available. The PILT calculation is driven by four key variables: 1) prior year payments; 2) inflation; 3) acreage; and 4) population. Updates to each of these

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November 21, 2019**

variables are required to be collected on an annual basis. The Department is currently initiating the FY 2020 program and anticipates having calculations available in time to issue payments before July 1st.

Based on FY 2019 payment information, the Department estimates enactment of S. 2108 would have increased the total authorized level for 2019 PILT payments by approximately \$2.0 million.

Question 4: During the hearing, a couple of my colleagues asked about the impact that the expiration of Secure Rural Schools program would have on counties' PILT payments. How would counties' payments change if Secure Rural Schools was not authorized and if Congress appropriated the same level of funding for PILT for FY 20 and FY 21 as it did for FY 19? Would urban counties receive higher payments and rural counties receive lower payments under this scenario because of the difference between appropriated funding and the increased authorization level?

Response: The expiration of Secure Rural Schools (SRS) in FY 2018 does not impact the FY 2020 PILT payment, because the final authorized payment for SRS was made in FY 2019. Payments made under SRS in one year (e.g. 2019) are deductible under the PILT program the following year (e.g. 2020).

If SRS payments are not made in FY 2020, the Department would expect the overall PILT payment calculation for FY 2021 to increase. PILT variables change the statutory calculation annually, but for reference, the full statutory calculation increased by 18.7% between FY 2017 (which included deductions for SRS payments) and FY 2018 (which did not).

In FY 2019, Congress provided full funding for the PILT program. In a full funding scenario, the Department would issue the full statutory calculation less the \$400,000 retained by the Department for the program's administrative expenses. If Congress provided full funding in FY 2020 and FY 2021, the Department would pay out the full statutory calculation less administrative expenses. The full statutory calculation would be increased by approximately \$2 million with passage of S. 2108. The full statutory calculation in FY 2021 would also be expected to increase if SRS payments were not issued during FY 2020. In this full funding scenario, regardless of the level of the statutory calculation, each local government receives the full payment (less a proportionate share of administrative expenses), regardless of their status as "urban" or "rural."

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Senate Committee on Energy and Natural Resources
Federal Payments to Local Governments
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November 21, 2019**

Questions from Senator Steve Daines

Questions: Due to the complexity of the PILT formula and the fluctuations in prior year payments, assessing the positive impact on small counties that my bipartisan Small County PILT Parity Act will have can be difficult. Because the Department has the most up-to-date information, would you provide the committee and myself with the following information for counties with populations less than 5,000:

- a. Projected FY19 payments had S. 2108 been enacted before payments were dispersed.

Response: The table below reflects estimates based on FY 2019 program data inputs.

DESCRIPTION	# of COUNTIES
Counties with <5,000 population	302
Counties with <5,000 population with payments changes under S. 2108	46

The table in Attachment B shows the estimated impact of S. 2108 for the 46 counties with populations of less than 5,000 and anticipated payment changes.

- b. Projected FY20 payments if Secure Rural Schools is not reauthorized, assuming enactment of S. 2108 (to the maximum extent practicable).

Response: The FY 2020 calculation is not yet available. The PILT calculation is driven by four key variables: 1) prior year payments; 2) inflation; 3) acreage; and 4) population. Updates to each of these variables are required to be collected on an annual basis. If SRS payments are not made in FY 2020, the Department would expect the overall PILT payment calculation for FY 2021 to increase. For reference, the full statutory calculation increased by 18.7% between FY 2017 (which included deductions for SRS payments) and FY 2018 (which did not).

The expiration of SRS in FY 2018 does not impact the FY 2020 PILT payment, because the final authorized payment for SRS was made in FY 2019. Payments made under SRS in one year (e.g. 2019) are deductible under the PILT program the following year (e.g. 2020).

- c. Projected FY20 payments if Secure Rural Schools is reauthorized, assuming enactment of S. 2108 (to the maximum extent practicable).

Response: The FY 2020 calculation is not yet available. The PILT calculation is driven by four key variables: 1) prior year payments; 2) inflation; 3) acreage; and 4) population. Updates to each of these variables are required to be collected on an annual basis. PILT program growth is not standardized from one year to the next because these variables adjust independently. The Department estimates the passage of S. 2108 would increase the statutory calculation by \$2 million over and above the normal program growth factors.

Estimated 2017 Impacts of S.2108

Attachment A

	STATE	COUNTY	2017 ACTUAL PILT PAYMENT	2017 PAYMENT CALCULATED USING ALT POP VALUES	DELTA
1	ALASKA	YAKUTAT BOROUGH	\$ 109,505	\$ 148,649	\$ 39,144
2	ALASKA	BRISTOL BAY BOROUGH	\$ 159,345	\$ 166,665	\$ 7,320
3	ALASKA	MUNICIPALITY-SKAGWAY	\$ 171,746	\$ 225,500	\$ 53,754
4	ALASKA	LAKE & PENINSULA BOROUGH	\$ 279,210	\$ 439,729	\$ 160,519
5	ALASKA	DENALI BOROUGH	\$ 342,806	\$ 439,729	\$ 96,923
6	ALASKA	HOONAH-ANGOOK CENSUS AREA	\$ 381,034	\$ 439,729	\$ 58,695
7	ALASKA	WRANGELL BOROUGH	\$ 425,515	\$ 439,729	\$ 14,214
8	ALASKA	HAINES BOROUGH	\$ 353,000	\$ 461,763	\$ 108,763
9	ALASKA	PETERSBURG BOROUGH	\$ 567,532	\$ 606,233	\$ 38,701
10	ALASKA	ALEUTIANS EAST BOROUGH	\$ 596,828	\$ 606,233	\$ 9,405
11	CALIFORNIA	SIERRA COUNTY	\$ 159,632	\$ 217,278	\$ 57,646
12	COLORADO	SAN JUAN COUNTY	\$ 79,946	\$ 80,687	\$ 741
13	COLORADO	MINERAL COUNTY	\$ 129,691	\$ 176,051	\$ 46,360
14	COLORADO	HINSDALE COUNTY	\$ 138,365	\$ 187,790	\$ 49,425
15	IDAHO	CLARK COUNTY	\$ 157,201	\$ 213,396	\$ 56,195
16	IDAHO	BUTTE COUNTY	\$ 329,995	\$ 447,984	\$ 117,989
17	IDAHO	ADAMS COUNTY	\$ 208,457	\$ 280,721	\$ 72,264
18	IDAHO	CUSTER COUNTY	\$ 730,092	\$ 756,577	\$ 26,485
19	IDAHO	ONEIDA COUNTY	\$ 690,360	\$ 682,530	\$ (7,830)
20	MONTANA	PETROLEUM COUNTY	\$ 84,853	\$ 115,185	\$ 30,332
21	MONTANA	PRAIRIE COUNTY	\$ 158,456	\$ 171,315	\$ 12,859
22	MONTANA	CARTER COUNTY	\$ 210,792	\$ 218,049	\$ 7,257
23	MONTANA	GARFIELD COUNTY	\$ 234,730	\$ 242,495	\$ 7,765
24	MONTANA	MCCONE COUNTY	\$ 286,247	\$ 425,395	\$ 139,148
25	MONTANA	MEAGHER COUNTY	\$ 179,537	\$ 228,968	\$ 49,431
26	MONTANA	JUDITH BASIN COUNTY	\$ 263,528	\$ 359,570	\$ 96,042
27	MONTANA	SWEET GRASS COUNTY	\$ 541,699	\$ 649,599	\$ 107,900
28	MONTANA	PHILLIPS COUNTY	\$ 511,406	\$ 524,313	\$ 12,907
29	NEBRASKA	THOMAS COUNTY	\$ 103,524	\$ 147,288	\$ 43,764
30	NEBRASKA	SIOUX COUNTY	\$ 222,571	\$ 229,871	\$ 7,300
31	NEVADA	ESMERALDA COUNTY	\$ 148,090	\$ 201,028	\$ 52,938
32	NEVADA	EUREKA COUNTY	\$ 360,133	\$ 439,729	\$ 79,596
33	NEW HAMPSHIRE	HARTS LOCATION TOWN	\$ 7,324	\$ 9,943	\$ 2,619
34	NEW HAMPSHIRE	ELLSWORTH TOWN	\$ 14,826	\$ 20,127	\$ 5,301
35	NEW HAMPSHIRE	WATERVILLE VALLEY	\$ 43,945	\$ 59,654	\$ 15,709
36	NEW HAMPSHIRE	CHATHAM TOWN	\$ 60,022	\$ 76,324	\$ 16,302
37	NEW MEXICO	HARDING COUNTY	\$ 122,233	\$ 166,817	\$ 44,584
38	NEW MEXICO	CATRON COUNTY	\$ 617,372	\$ 606,233	\$ (11,139)
39	NEW MEXICO	HIDALGO COUNTY	\$ 728,804	\$ 695,548	\$ (33,256)
40	SOUTH DAKOTA	HARDING COUNTY	\$ 213,504	\$ 229,724	\$ 16,220
41	TEXAS	KENEDY COUNTY	\$ 72,705	\$ 98,695	\$ 25,990
42	UTAH	DAGGETT COUNTY	\$ 138,513	\$ 183,172	\$ 44,659
43	UTAH	PIUTE COUNTY	\$ 246,314	\$ 415,162	\$ 168,848
44	UTAH	RICH COUNTY	\$ 412,832	\$ 439,729	\$ 26,897
45	UTAH	WAYNE COUNTY	\$ 480,893	\$ 501,629	\$ 20,736
46	VERMONT	SEARSBURG TOWN	\$ 19,114	\$ 20,349	\$ 1,235
47	VERMONT	STRATTON TOWN	\$ 37,514	\$ 47,532	\$ 10,018
48	VERMONT	MOUNT TABOR TOWN	\$ 45,731	\$ 62,078	\$ 16,347
TOTAL			\$ 12,577,472	\$ 14,602,494	\$ 2,025,022

Estimated 2018 Impacts of S.2108

	STATE	COUNTY	2018 ACTUAL PILT PAYMENT	2018 PAYMENT CALCULATED USING ALT POP VALUES	DELTA
1	ALASKA	YAKUTAT BOROUGH	\$ 109,565	\$ 149,414	\$ 39,849
2	ALASKA	BRISTOL BAY BOROUGH	\$ 163,710	\$ 170,934	\$ 7,224
3	ALASKA	MUNICIPALITY-SKAGWAY	\$ 195,873	\$ 246,131	\$ 50,258
4	ALASKA	LAKE & PENINSULA BOROUGH	\$ 284,761	\$ 450,816	\$ 166,055
5	ALASKA	DENALI BOROUGH	\$ 356,043	\$ 450,810	\$ 94,767
6	ALASKA	HOONAH-ANGOON CENSUS AREA	\$ 378,829	\$ 450,807	\$ 71,978
7	ALASKA	WRANGELL BOROUGH	\$ 439,538	\$ 450,803	\$ 11,265
8	ALASKA	HAINES BOROUGH	\$ 426,976	\$ 422,744	\$ (4,232)
9	ALASKA	PETERSBURG BOROUGH	\$ 574,079	\$ 621,501	\$ 47,422
10	ALASKA	ALEUTIANS EAST BOROUGH	\$ 600,878	\$ 621,499	\$ 20,621
11	CALIFORNIA	SIERRA COUNTY	\$ 435,825	\$ 520,075	\$ 84,250
12	COLORADO	SAN JUAN COUNTY	\$ 118,057	\$ 164,071	\$ 46,014
13	COLORADO	MINERAL COUNTY	\$ 133,447	\$ 181,981	\$ 48,534
14	COLORADO	HINSDALE COUNTY	\$ 143,758	\$ 196,004	\$ 52,246
15	IDAHO	CLARK COUNTY	\$ 156,782	\$ 213,803	\$ 57,021
16	IDAHO	CAMAS COUNTY	\$ 168,434	\$ 210,328	\$ 41,894
17	IDAHO	BUTTE COUNTY	\$ 450,209	\$ 615,775	\$ 165,566
18	IDAHO	ADAMS COUNTY	\$ 701,284	\$ 765,923	\$ 64,639
19	IDAHO	CUSTER COUNTY	\$ 746,722	\$ 775,627	\$ 28,905
20	IDAHO	ONEIDA COUNTY	\$ 780,516	\$ 764,388	\$ (16,128)
21	MONTANA	PETROLEUM COUNTY	\$ 89,148	\$ 121,569	\$ 32,421
22	MONTANA	PRAIRIE COUNTY	\$ 163,075	\$ 171,060	\$ 7,985
23	MONTANA	CARTER COUNTY	\$ 219,314	\$ 225,441	\$ 6,127
24	MONTANA	GARFIELD COUNTY	\$ 238,819	\$ 248,603	\$ 9,784
25	MONTANA	MCCONE COUNTY	\$ 302,169	\$ 443,064	\$ 140,895
26	MONTANA	MEAGHER COUNTY	\$ 306,475	\$ 424,215	\$ 117,740
27	MONTANA	JUDITH BASIN COUNTY	\$ 342,173	\$ 439,311	\$ 97,138
28	MONTANA	GRANITE COUNTY	\$ 567,035	\$ 574,528	\$ 7,493
29	MONTANA	SWEET GRASS COUNTY	\$ 635,827	\$ 750,969	\$ 115,142
30	MONTANA	PHILLIPS COUNTY	\$ 639,380	\$ 661,538	\$ 22,158
31	MONTANA	MINERAL COUNTY	\$ 721,846	\$ 734,706	\$ 12,860
32	NEBRASKA	THOMAS COUNTY	\$ 130,532	\$ 178,005	\$ 47,473
33	NEBRASKA	SIOUX COUNTY	\$ 226,423	\$ 238,324	\$ 11,901
34	NEVADA	ESMERALDA COUNTY	\$ 144,021	\$ 196,400	\$ 52,379
35	NEVADA	EUREKA COUNTY	\$ 349,478	\$ 450,809	\$ 101,331
36	NEVADA	MINERAL COUNTY	\$ 781,024	\$ 745,569	\$ (35,455)
37	NEW HAMPSHIRE	HARTS LOCATION TOWN	\$ 7,474	\$ 10,193	\$ 2,719
38	NEW HAMPSHIRE	ELLSWORTH TOWN	\$ 15,679	\$ 21,381	\$ 5,702
39	NEW HAMPSHIRE	WATERVILLE VALLEY	\$ 44,664	\$ 60,909	\$ 16,245
40	NEW HAMPSHIRE	CHATHAM TOWN	\$ 62,530	\$ 78,280	\$ 15,750
41	NEW MEXICO	HARDING COUNTY	\$ 116,768	\$ 160,859	\$ 44,091
42	NEW MEXICO	CATRON COUNTY	\$ 639,528	\$ 775,636	\$ 136,108
43	NEW MEXICO	HIDALGO COUNTY	\$ 739,903	\$ 731,249	\$ (8,654)
44	OREGON	WHEELER COUNTY	\$ 213,405	\$ 216,990	\$ 3,585
45	SOUTH DAKOTA	HARDING COUNTY	\$ 230,065	\$ 245,683	\$ 15,618
46	TEXAS	KENEDY COUNTY	\$ 73,652	\$ 100,437	\$ 26,785
47	UTAH	DAGGETT COUNTY	\$ 192,793	\$ 241,775	\$ 48,982
48	UTAH	PIUTE COUNTY	\$ 267,261	\$ 248,602	\$ (18,659)
49	UTAH	RICH COUNTY	\$ 422,767	\$ 450,805	\$ 28,038
50	UTAH	WAYNE COUNTY	\$ 492,589	\$ 613,577	\$ 120,988
51	VERMONT	SEARSBURG TOWN	\$ 19,507	\$ 20,870	\$ 1,363
52	VERMONT	STRATTON TOWN	\$ 37,555	\$ 48,750	\$ 11,195
53	VERMONT	MOUNT TABOR TOWN	\$ 46,853	\$ 63,893	\$ 17,040
TOTAL			\$ 16,845,018	\$ 19,137,434	\$ 2,292,416

Estimated 2019 Impacts of S.2108

	STATE	COUNTY	2019 ACTUAL PILT PAYMENT	2019 PAYMENT CALCULATED USING ALT POP VALUES	DELTA
1	ALASKA	YAKUTAT BOROUGH	\$ 112,783	\$ 153,795	\$ 41,012
2	ALASKA	BRISTOL BAY BOROUGH	\$ 161,625	\$ 174,723	\$ 13,098
3	ALASKA	MUNICIPALITY-SKAGWAY	\$ 197,075	\$ 235,595	\$ 38,520
4	ALASKA	LAKE & PENINSULA BOROUGH	\$ 301,997	\$ 460,968	\$ 158,971
5	ALASKA	DENALI BOROUGH	\$ 386,630	\$ 460,968	\$ 74,338
6	ALASKA	HOONAH-ANGOON CENSUS AREA	\$ 399,866	\$ 460,968	\$ 61,102
7	ALASKA	WRANGELL BOROUGH	\$ 469,960	\$ 622,626	\$ 152,666
8	ALASKA	PETERSBURG BOROUGH	\$ 611,637	\$ 635,515	\$ 23,878
9	ALASKA	ALEUTIANS EAST BOROUGH	\$ 628,228	\$ 635,515	\$ 7,287
10	CALIFORNIA	SIERRA COUNTY	\$ 220,838	\$ 297,286	\$ 76,448
11	COLORADO	SAN JUAN COUNTY	\$ 92,679	\$ 141,148	\$ 48,469
12	COLORADO	MINERAL COUNTY	\$ 142,796	\$ 194,721	\$ 51,925
13	COLORADO	HINSDALE COUNTY	\$ 148,116	\$ 201,940	\$ 53,824
14	IDAHO	CLARK COUNTY	\$ 162,743	\$ 221,922	\$ 59,179
15	IDAHO	BUTTE COUNTY	\$ 348,666	\$ 474,829	\$ 126,163
16	IDAHO	ADAMS COUNTY	\$ 339,795	\$ 359,836	\$ 20,041
17	IDAHO	CUSTER COUNTY	\$ 777,735	\$ 793,115	\$ 15,380
18	IDAHO	ONEIDA COUNTY	\$ 753,803	\$ 721,647	\$ (32,156)
19	MONTANA	PETROLEUM COUNTY	\$ 97,497	\$ 130,566	\$ 33,069
20	MONTANA	PRAIRIE COUNTY	\$ 167,372	\$ 175,354	\$ 7,982
21	MONTANA	CARTER COUNTY	\$ 227,802	\$ 231,379	\$ 3,577
22	MONTANA	GARFIELD COUNTY	\$ 241,038	\$ 254,206	\$ 13,168
23	MONTANA	MCCONE COUNTY	\$ 314,296	\$ 454,999	\$ 140,703
24	MONTANA	MEAGHER COUNTY	\$ 189,886	\$ 233,877	\$ 43,991
25	MONTANA	JUDITH BASIN COUNTY	\$ 272,173	\$ 367,577	\$ 95,404
26	MONTANA	SWEET GRASS COUNTY	\$ 584,107	\$ 689,153	\$ 105,046
27	NEBRASKA	THOMAS COUNTY	\$ 108,539	\$ 157,686	\$ 49,147
28	NEBRASKA	SIOUX COUNTY	\$ 223,615	\$ 242,962	\$ 19,347
29	NEVADA	ESMERALDA COUNTY	\$ 158,455	\$ 216,075	\$ 57,620
30	NEVADA	EUREKA COUNTY	\$ 365,565	\$ 460,968	\$ 95,403
31	NEW HAMPSHIRE	HARTS LOCATION TOWN	\$ 7,643	\$ 10,422	\$ 2,779
32	NEW HAMPSHIRE	ELLSWORTH TOWN	\$ 16,032	\$ 21,861	\$ 5,829
33	NEW HAMPSHIRE	WATERVILLE VALLEY	\$ 45,299	\$ 61,772	\$ 16,473
34	NEW HAMPSHIRE	CHATHAM TOWN	\$ 65,806	\$ 80,014	\$ 14,208
35	NEW MEXICO	HARDING COUNTY	\$ 124,430	\$ 171,339	\$ 46,909
36	NEW MEXICO	CATRON COUNTY	\$ 668,681	\$ 793,115	\$ 124,434
37	NEW MEXICO	HIDALGO COUNTY	\$ 726,661	\$ 717,247	\$ (9,414)
38	OREGON	WHEELER COUNTY	\$ 215,244	\$ 216,481	\$ 1,237
39	SOUTH DAKOTA	HARDING COUNTY	\$ 209,647	\$ 232,322	\$ 22,675
40	TEXAS	KENEDY COUNTY	\$ 77,737	\$ 106,004	\$ 28,267
41	UTAH	PIUTE COUNTY	\$ 242,617	\$ 232,110	\$ (10,507)
42	UTAH	RICH COUNTY	\$ 445,725	\$ 460,968	\$ 15,243
43	UTAH	WAYNE COUNTY	\$ 506,870	\$ 529,394	\$ 22,524
44	VERMONT	SEARSBURG TOWN	\$ 20,133	\$ 21,332	\$ 1,199
45	VERMONT	STRATTON TOWN	\$ 37,656	\$ 49,830	\$ 12,174
46	VERMONT	MOUNT TABOR TOWN	\$ 48,282	\$ 65,840	\$ 17,558
TOTAL			\$ 12,665,780	\$ 14,631,970	\$ 1,966,190

Estimated 2019 Impacts of S.2108

Attachment B

	STATE	COUNTY	2019 ACTUAL PILT PAYMENT	2019 PAYMENT CALCULATED USING ALT POP VALUES	DELTA
1	ALASKA	YAKUTAT BOROUGH	\$ 112,783	\$ 153,795	\$ 41,012
2	ALASKA	BRISTOL BAY BOROUGH	\$ 161,625	\$ 174,723	\$ 13,098
3	ALASKA	MUNICIPALITY-SKAGWAY	\$ 197,075	\$ 235,595	\$ 38,520
4	ALASKA	LAKE & PENINSULA BOROUGH	\$ 301,997	\$ 460,968	\$ 158,971
5	ALASKA	DENALI BOROUGH	\$ 386,630	\$ 460,968	\$ 74,338
6	ALASKA	HOONAH-ANGOON CENSUS AREA	\$ 399,866	\$ 460,968	\$ 61,102
7	ALASKA	WRANGELL BOROUGH	\$ 469,960	\$ 622,626	\$ 152,666
8	ALASKA	PETERSBURG BOROUGH	\$ 611,637	\$ 635,515	\$ 23,878
9	ALASKA	ALEUTIANS EAST BOROUGH	\$ 628,228	\$ 635,515	\$ 7,287
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46	VERMONT	MOUNT TABOR TOWN	\$ 48,282	\$ 65,840	\$ 17,558
TOTAL			\$ 12,665,780	\$ 14,631,970	\$ 1,966,190



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November 20, 2019

The Honorable Lisa Murkowski
Chair,
Energy and Natural Resources Committee
U.S. Senate
Washington, D.C. 20510

The Honorable Joe Manchin
Ranking Member
Energy and Natural Resources Committee
U.S. Senate
Washington, D.C. 20510

Dear Chairwoman Murkowski and Ranking Member Manchin:

On behalf of AASA, The School Superintendents, representing more than 13,000 public school system leaders across the nation, I write to thank you for holding a hearing on the continued funding of the Secure Rural Schools/Forest Counties program and for your time and attention to this important policy matter. We appreciate the opportunity to submit a statement to the Energy and Natural Resources Committee on the solvency of Secure Rural Schools/Forest Counties (SRS) program and the importance of extending funding in FY20 for the program.

We strongly support your efforts to find a short and long-term solution to ensuring funding for the SRS/Forest counties program and are concerned that we will have yet another delay in funding this program in FY20. We see the failure to act to provide stable, consistent funding for this critical program as a deliberate decision by Congress to continue to ignore the 9 million students in 4,400 school districts in 775 forest counties in 41 states served by the SRS program.

We are disappointed the CR to extend funding through December did not include funding for Secure Rural Schools. Congress made a longstanding commitment to rural students and communities when it passed and extended Secure Rural Schools and Communities Self Determination Act of 2000. Secure Rural Schools funds essential education, transportation and public safety programs critical to rural forest counties, communities and schools. Rural communities rely on SRS to offset lost tax revenue from lands transferred to federal ownership. Without SRS the lost tax revenue remains unavailable without economic alternatives even as the lands remain federally owned. In the meantime, Congress fails to fund SRS and is unable to adopt forest management policies to help restore economic stability in the rural forest communities.

When Congress fails to adequately fund SRS, rural schools, communities and counties found themselves facing significant cuts, as the program reverted to a timber receipt funding formula that originated over 100 years ago. Absent adequate SRS support, these rural communities are forced to cut programs supporting essential safety, fire, police, road and bridge, community and education services.

The time to act is now. As Congress completes its final negotiations on a FY120 appropriations package, it is critically important the package include SRS funding. The 116th Congress must act to reauthorize SRS funding for FY19 and FY20 to support essential safety, fire, police, road and bridge, and education services.

Thank you for this consideration. We look forward to supporting your work to finally address the important Secure Rural Schools issue.

Sincerely,

Sasha Pudelski
Advocacy Director

**Alaska Municipal League
Resolution #13-2020**

Supporting reform of the USDA Forest Service Secure Rural Schools program to include long-term certainty and sustainability of funding.

WHEREAS, A March 2017 Report by the Congressional Research Service confirmed 61% of all land (224.2 Million Acres) in Alaska is owned by the federal government; 57% (129 Million Acres) of which is managed by agencies with preservation and conservation of land as core mission components, and will likely never be available for development; and

WHEREAS, the Secure Rural Schools and Community Self-Determination Act (SRS) was enacted in 2000 to financially assist counties with public, tax-exempt forestlands; and

WHEREAS, critical services at the county level have historically been funded in part with a 25 percent share of timber receipts from federal U.S. Forest Service lands and a 50 percent share of timber receipts from federal Oregon and California Grant Lands managed by the U.S. Bureau of Land Management; and

WHEREAS, as those revenues have fallen or fluctuated due to reduced timber harvest and market forces, SRS payments helped bridge the gap to keep rural schools open, provide road maintenance, support search and rescue efforts and other essential county services; and

WHEREAS, since enacted in 2000, SRS has provided a total of \$7 billion in payments to more than 700 counties and 4,400 school districts in more than 40 states to fund schools and essential services like roads and public safety; and

WHEREAS, local governments in Alaska use the SRS funding to supplement transportation funding, and school operations and capital project needs; and

WHEREAS, the elimination of SRS would have an immediate and detrimental effect on the school system and on local transportation infrastructure; and

WHEREAS, local governments who experienced the loss of these funds would be faced with choices of increased taxes or the loss of jobs, including at schools; and

WHEREAS, a short-term solution for SRS should result in continued funding over the next two years, and a long-term fix must account for the sustainability of the program; and

WHEREAS, a sustainable program may include funding features such as a forest visitor fee, or consolidation within the PILT formula, as an additional factor, or may require a large set-aside that produces a return of sustainable revenue over time.

NOW, THEREFORE BE IT RESOLVED that the Alaska Municipal League supports reform of the USDA Forest Service Secure Rural Schools program to include long-term certainty and sustainability of funding.

PASSED AND APPROVED BY THE ALASKA MUNICIPAL LEAGUE ON THE 22nd DAY OF NOVEMBER 2019.

Signed: 
President, Alaska Municipal League

Attest: 
Executive Director, Alaska Municipal League

Alaska Municipal League
Resolution #14-2020

In support of reform of the PILT funding formula to extend multipliers to smaller population counties (boroughs), and permanently authorizing the program.

WHEREAS, through the federal PILT payment, the Department of Interior provides revenue to counties and county equivalents, such as boroughs, to compensate for non-taxable federal acreage within their respective jurisdictions; and

WHEREAS, in Alaska, PILT funding is distributed not only to boroughs but also to cities within the unorganized borough, and in 2018 was valued at \$32,308,994; and

WHEREAS, many Alaska boroughs and cities fund the provision of fire and emergency medical response services to the federal lands and infrastructure as well as providing other services, such as solid waste, public safety, and transportation; and

WHEREAS, the numerous nightly camping and lodging offerings located on federal lands are exempt from local taxation; and

WHEREAS, while the annual number of visitors to these federal lands number over 2,920,250, according to the National Park Service, PILT payments are calculated on the local government's year round population, which in many cases can be fewer than 2,000 residents; and

WHEREAS, the National Association of Counties (NACo) has found that the current PILT formula places counties and boroughs with populations under 5,000 in an unfavorable position in relation to counties with populations greater than 5,000; and

WHEREAS, at their Annual Conference in July 2018, NACo adopted a resolution titled "Resolution on Amendments to PILT Population Caps"; and

WHEREAS, this resolution "supports amending the PILT formula to extend the population multipliers to include additional multipliers for local governments with populations in the range 4,000, 3,000, 2,000 and 1,000"; and

WHEREAS, this amendment increases total PILT funding for numerous Alaska local governments; and

WHEREAS, changes to the PILT formula will strengthen the capacity for partnerships that develop at the local level, it will improve the local government's ability to support tourism and access within federal lands, and it will increase community and economic development.

NOW, THEREFORE BE IT RESOLVED, the Alaska Municipal League supports reform of the PILT funding formula to extend multipliers to smaller population counties (boroughs), including through federal legislation as that addressed within the Small County PILT Parity Act; and

BE IT FURTHER RESOLVED, that AML supports permanent reauthorization of the PILT program, including through such legislation as HR 3043.

PASSED AND APPROVED BY THE ALASKA MUNICIPAL LEAGUE ON THE 22nd DAY OF NOVEMBER 2019.

Signed: 
President, Alaska Municipal League

Attest: 
Executive Director, Alaska Municipal League

American Bird Conservancy • Applegate Neighborhood Network • Athens County's Future •
 Action Network • Audubon Society of Portland • Buckeye Environmental Network •
 Cascadia Wildlands • Center For Biological Diversity • Cherokee Forest Voices •
 Conejos Clean Water • Conservation Colorado • Conservation Northwest •
 Defenders of Wildlife • EcoFlight • Earthjustice • Endangered Species Coalition •
 Environmental Protection Information Center • Friends of the Bitterroot • Friends of Blackwater,
 Inc. • Friends of the Kalmiopsis • Friends of the Sonoran Desert • Friends of the WI Wolf &
 Wildlife • Georgia ForestWatch • Geos Institute • Gila Native Plant Society • Grand Canyon
 Trust • Great Lakes Wildlife Alliance • Great Old Broads for Wilderness • Greater Hells Canyon
 Council • Heartwood • High Country Conservation Advocates • Howling For Wolves • John Muir
 Project • Kalmiopsis Audubon • Kentucky Heartwood • Klamath Forest Alliance • Klamath
 Siskiyou Wildlands Center • Lower Columbia Canoe Club & Oregon Kayak and Canoe Club • Los
 Padres Forest Watch • Miller Conservation Consulting • Natural Resources Defense Council •
 New Mexico Horse Council • New Mexico Sportsmen • Northcoast Environmental Center •
 NY4WHALES • OVEC-Ohio Valley Environmental Coalition • Oregon Wild • Peninsula-Delaware
 Conference, The United Methodist Church • Pilchuck Audubon Society • Rocky Mountain Wild •
 Safe Alternatives for our Forest Environment • San Luis Valley Ecosystem Council • Save Wolves
 Now Network • Sierra Forest Legacy • Soda Mountain Wilderness Council • South Umpqua Rural
 Community Partnership • Southern Environmental Law Center • Southern Utah Wilderness
 Alliance • SouthWest New Mexico Audubon • Stand.earth • The Larch Company • The Rachel
 Carson Council • The Wilderness Society • Umpqua Watersheds, Inc. • Unexpected Wildlife
 Refuge • Western Nebraska Resources Council • Western Watersheds Project • Wild Nature
 Institute • Wild Zone Conservation League • WildEarth Guardians • Wilderness Workshop •
 WildWest Institute • Yellowstone to Uintas Connection

December 5, 2019

The Honorable Senator Ron Wyden
 United States Senate
 Washington, DC 20510

Dear Senator Wyden,

We are writing on behalf of our millions of members and supporters, in Oregon and across America, to strongly oppose the proposed "Forest Management for Rural Stability Act" (S.1643). We recognize the serious problems the expiration of Secure Rural Schools (SRS) legislation creates for many rural counties, and we support a long-term solution that meets the needs of counties while also protecting America's public lands, forests, clean water, and wildlife. Unfortunately, S.1643 fails to do that.

You were correct in the year 2000 when you spearheaded efforts to pass the original SRS legislation and de-couple county funding from a share of the receipts from the boom and bust cycles of logging on public lands. Up until that time, counties had a perverse incentive to support unsustainable logging practices in order to fund local services, which often pitted their funding needs against the public's desire to safeguard mature and old-growth forests, rivers, and wildlife. As you told the Oregonian newspaper at the time, "the new relationship between the counties and the federal government means that the 21st century relationship is not just going to be about cutting trees."

Unfortunately, S.1643 reverses that vision by re-linking and institutionalizing the funding of local government services from federal revenues primarily generated by environmentally harmful logging on America's public lands. Your one-page summary of the bill states, "As timber harvests on federal lands grow, funding to counties will also grow." [emphasis in original]. Specifically, in addition to establishing a trust fund—which we do not necessarily oppose—timber receipts would continue to supplement the fund and boost county payments until the "maximum payment amount" is achieved. After the fund reaches the maximum payment amount, the counties would, in addition, receive revenue-sharing payments from timber receipts.

Public forests and watersheds are still suffering harm caused by decades of logging promoted by this very arrangement of funding county services through resource exploitation on federal lands. Taxpayers nationally are still paying for the damage caused to our forests.

Until the early 1990's, some county governments received high and unsustainable federal timber payments due to rampant old-growth clearcutting on public lands. After an enormous public backlash and the adoption of the Northwest Forest Plan of 1994 that significantly reduced logging levels, federal monies to the affected counties were substantially reduced. In the three decades since, Congress has enacted a series of funding programs that maintained county funding from direct appropriations from the treasury of the United States.

S.1643 would permanently lock-in—as a new floor—timber county payments at the SRS payment levels of FY 2017. As such there should be no need for additional revenue generation tied to logging. Linking the provision of local government services with the exploitation of federal public forests is neither fair to the timber counties, nor to this and future generations of Americans who own those forests. History has demonstrated that linking resource extraction to funding local government services has resulted in the liquidation of our ancient forests, species teetering on the brink of extinction and degradation of watersheds. Your bill would repeat these mistakes of the past.

It would put county commissioners in the position of advocating for ill-advised unsustainable logging levels even as their constituents increasingly favor the conservation of forests because of the massive economic driver that outdoor recreation has become. The legislation would also appear to reward the controversial actions of County Commissioners in Douglas County, Oregon, who diverted SRS Title III money from after school programs, roads, and public safety and into an effort to lobby Congress to weaken environmental protection laws and re-link county funding to public lands logging. On November 15th, you and Senator Merkley proposed an amendment to SRS that would ban this outrageous practice. We strongly support that legislation.

The conservation community generally supported the various transition payment laws (1990, 1993, 2000, 2007, 2008, 2012, 2013, 2015)—all of which since 2000 were enacted into law due to your leadership—because they decoupled the local filling of potholes and education of children from the clearcutting of federal forests and watersheds.

We are sensitive to the plight of the timber counties that have become accustomed to these inordinate federal payments. County residents in Oregon, as well as timberland owners in those counties, have paid far lower property taxes than their counterparts in non-federal-timber counties. It is time for complete decoupling. As such we support provisions of your bill that make the SRS program permanent and guarantee payments from the Treasury to timber counties.

Thank you for your consideration.

Sincerely,

American Bird Conservancy
 Applegate Neighborhood Network
 Athens County's Future
 Action Network
 Audubon Society of Portland
 Buckeye Environmental Network
 Cascadia Wildlands
 Center For Biological Diversity
 Cherokee Forest Voices
 Conejos Clean Water
 Conservation Colorado
 Conservation Northwest
 Defenders of Wildlife
 EcoFlight
 Earthjustice
 Endangered Species Coalition
 Environmental Protection Information Center
 Friends of the Bitterroot
 Friends of Blackwater, Inc.
 Friends of the Kalmiopsis
 Friends of the Sonoran Desert
 Friends of the WI Wolf & Wildlife
 Georgia ForestWatch
 Geos Institute
 Gila Native Plant Society
 Grand Canyon Trust
 Great Lakes Wildlife Alliance
 Great Old Broads for Wilderness
 Greater Hells Canyon Council
 Heartwood
 High Country Conservation Advocates
 Howling For Wolves
 John Muir Project
 Kalmiopsis Audubon
 Kentucky Heartwood
 Klamath Forest Alliance
 Klamath Siskiyou Wildlands Center
 Lower Columbia Canoe Club & Oregon Kayak and Canoe Club
 Los Padres Forest Watch
 Miller Conservation Consulting
 Natural Resources Defense Council
 New Mexico Horse Council
 New Mexico Sportsmen
 Northcoast Environmental Center
 NY4WHALES

OVEC-Ohio Valley Environmental Coalition
Oregon Wild
Peninsula-Delaware Conference, The United Methodist Church
Pilchuck Audubon Society
Rocky Mountain Wild
Safe Alternatives for our Forest Environment
San Luis Valley Ecosystem Council
Save Wolves Now Network
Sierra Forest Legacy
Soda Mountain Wilderness Council
South Umpqua Rural Community Partnership
Southern Environmental Law Center
Southern Utah Wilderness Alliance
SouthWest New Mexico Audubon
Stand.earth
The Larch Company
The Rachel Carson Council
The Wilderness Society
Umpqua Watersheds, Inc.
Unexpected Wildlife Refuge
Western Nebraska Resources Council
Western Watersheds Project
Wild Nature Institute
Wild Zone Conservation League
WildEarth Guardians
Wilderness Workshop
WildWest Institute
Yellowstone to Uintas Connection

Senator Mike Crapo
Statement for the Record
Senate Energy and Natural Resources Committee
S. 430, to extend the Secure Rural Schools and Community Self-Determination Act of 2000 and S. 1643, to amend title 36, United States Code, to grant a Federal charter to the Forest and Refuge County Foundation, to provide for the establishment of the Natural Resources Permanent Fund, and for other purposes.
November 21, 2019

Chairman Murkowski and Ranking Member Manchin, thank you for holding today's hearing. The legislation you are considering is critical for the promotion of financial certainty for rural counties throughout Idaho.

Earlier this year, I was joined by many of our colleagues representing western and other states home to federal lands, including the leadership of this Committee, in introducing S. 430, which would reauthorize the Secure Rural Schools and Community Self-Determination Act (SRS) program. SRS expired on September 30, 2018. Congress has routinely failed to reauthorize the SRS program before its expiration, leaving Idaho counties in limbo and unable to plan for the future. Without reauthorizing the SRS program, forested counties in Idaho are subject to payments based on an obsolete receipt formula that falls short of today's needs. Because Idaho's land is approximately 63 percent federally managed, SRS resources are a lifeline for Idaho's rural counties. I have been a vocal and outspoken supporter of SRS programs in order to deliver critical services such as schools, roads, law enforcement, and search and rescue operations. Given Idaho's expansive federal estate, SRS makes it possible to maintain these services in lieu of the ability to economically develop and tax federal land. Enactment of S. 430 would help provide local communities with some fiscal stability while a long-term bipartisan solution for SRS funding can be developed.

I am also a strong supporter and advocate of S. 1643, the Forest Management for Rural Stability Act, which would establish an endowment fund to provide funding needed for schools, road maintenance, law enforcement and other essential services. Senator Wyden and I introduced this legislation in order to finally establish a permanent, long lasting and predictable source of funding for rural communities and school districts encompassed by federal land. I endorse the Committee's willingness to consider this legislation today and will continue to work to advance S. 1643 in order to provide proper resources to our rural constituents.

I am honored to be joined by a diverse bipartisan group of senators working to promote the SRS program, and I look forward to working with you and every member of the Senate Energy and Natural Resources Committee to help our local rural communities.



1201 16th St., N.W. | Washington, DC 20036 | Phone: (202) 833-4000

Lily Eskelsen Garcia
President

Rebecca S. Pringle
Vice President

Princess R. Moss
Secretary-Treasurer

Kim A. Anderson
Executive Director

November 18, 2019

Committee on Energy & Natural Resources
United States Senate
Washington, DC 20515

Dear Senator:

On behalf of more than 3 million members of the NEA who teach and support students in public schools and on public college campuses in 14,000 communities, thank you for holding today's public hearing examining federal payments to local governments provided through the Secure Rural Schools (SRS) and Payments in Lieu of Taxes (PILT) programs. We submit these comments regarding both a near-term extension and long-term reauthorization of the SRS program.

Schools in rural communities with National Forests have relied on federal payments since the early 1900s to make up for the loss of tax revenues on federal lands. In the late 1980s, payments in many forest-impacted communities dropped dramatically due to sharp decreases in federal timber sales. In response, school districts cut teachers, education support professionals, extracurricular programs, and school meal programs, and postponed building repairs. The Secure Rural Schools and Community Self-Determination Act offered a critically needed solution by:

- Ensuring a predictable payment to federally impacted forest counties;
- Providing vital funding for educational services for students in over 775 rural counties and 4,400 schools;
- Preventing the closure of some schools and the layoffs of school staff and other public-service workers; and
- Protecting funding for libraries, sheriff patrols, local corrections facilities, search and rescue operations, and mental health care services.

Unfortunately, SRS payments have decreased by more than 50 percent since 2009 due to a 5-percent annual cut in the SRS funding formula, from approximately \$480 million to slightly more than \$215 million in FY 2018. For this reason, the NEA strongly supports S. 430 to extend the Secure Rural Schools program and S. 1643, the Forest Management for Rural Stability Act. S. 430 provides the near-term stability to enable rural schools to meet the educational needs of students while a more permanent solution is devised. We urge Congress to include a short-term SRS extension, without the 5-percent reduction, in any end-of-year legislation that will be passed and signed into law.

S. 1643 offers a much-needed permanent solution to the SRS program by creating an endowment fund to provide long-term, reliable, and increasing funding, eliminating the need for reauthorizations every two years and allowing for more consistent budgeting. Together, S. 430 and S. 1643 acknowledge rural schools as community hubs that educate and inspire students, bring people together, and keep local history, heritage, and traditions alive. Their students deserve the resources we want for *all* students: a rich curriculum, activities that spark their curiosity, and support services that cultivate success. Once again, thank you for holding this important hearing on supporting our nation's rural schools.

Sincerely,

Marc Egan
Director of Government Relations
National Education Association



National Forest Counties and Schools Coalition

609 S. Gold St. • Yreka CA 96097 • 530-842-8582 • Fax: 530-842-8436 • www.forestcoalition.net

November 21, 2019

The Honorable Lisa Murkowski
Chair
Energy and Natural Resources Committee
U.S. Senate
Washington, DC 20510

The Honorable Joseph Manchin
Ranking Member
Energy and Natural Resources Committee
U.S. Senate
Washington, DC 20510

RE: Senate Committee on Energy and Natural Resources Hearing on Secure Rural Schools and PILT

Dear Chairwoman Murkowski, Ranking Member Manchin and Members of the Energy and Natural Resources Committee:

The National Forest Counties and Schools Coalition thanks Chairwoman Murkowski, Ranking Member Manchin and members of the Energy and Natural Resources Committee for your leadership and support and for holding this hearing on the Secure Rural Schools and Community Self-Determination Act (SRS) and the Payment in Lieu of Taxes (PILT) programs. The National Forest Counties and Schools Coalition includes School Superintendents and County Commissioners from the 4,400 school districts in 775 forest counties and communities in 41 states serving 9 million students across the country.

The National Forest Counties and Schools Coalition appreciates the opportunity to submit this statement to the Energy and Natural Resources Committee on federal payments to local county governments and school districts, the **Secure Rural Schools and Community Self-Determination Act (SRS)**, the Payment in Lieu of Taxes (PILT) program, and the need to provide greater fiscal certainty for resource-dependent communities and schools located in counties with tax-exempt federal lands.

Chairwoman Murkowski, Ranking Member Manchin
and Members of the Energy and Natural Resources Committee
November 21, 2019
Page Two

The National Forest Counties and Schools Coalition once again has to report to the Committee that Federal national forests are burning, local communities are being evacuated, schools are serving as emergency crisis centers and county fire and emergency services are over-extended and exhausted. As this is happening, Congress has also allowed Secure Rural Schools authority to expire putting in doubt the ability for rural forest communities to provide the local emergency and education services necessary to deal with these realities.

The National Forest Counties and Schools Coalition strongly supports your efforts for the short and long-term reauthorization of the Secure Rural Schools (SRS) program for Fiscal Years 2019-2020 and into the future. Most immediately, we are asking for action on short term SRS reauthorization and funding for Fiscal Years 2019-2020 to support essential education, safety, fire, police, road, bridge, and community services that are at risk in forest communities in states and counties across the country.

The Coalition also renews our frequently stated request that Congress act on long term legislation to actively manage and restore National Forest and BLM lands by improving forest health and promoting economic development and stability.

The Secure Rural Schools program provides crucial support for law enforcement, transportation infrastructure, and education in the 775 counties in 41 states that depend on revenue from federal forests. SRS payments are based on historic precedent and the 1908 statutory commitment by Congress that in exchange for removing federal lands from the local tax base by creating National Forests, counties thereafter would receive 25% of all revenues generated off of those newly created National Forest lands. The federal commitment to local counties and schools remains in force today. It combines vastly reduced timber receipts with funds from the Treasury to create Secure Rural Schools payments.

The 115th Congress provided short term SRS FY2017 FY 2018 SRS funding to support essential forest counties community and educational programs but did not complete action on active long term forest management programs. The 116th Congress must reauthorize and fund Secure Rural Schools for the short (FY 2019 and FY 2020) and long term and also develop a long term system based on active forest management, to improve local forest health, to generate local jobs and revenues to support sustainable local economies in our nation's rural forest communities.

The last SRS payments (FY 2018) were distributed to eligible counties last year. Counties and school districts in forest communities are now implementing budgets without SRS funds. Counties and school districts are being forced to cut vital services. As a result, funding for law

Chairwoman Murkowski, Ranking Member Manchin
and Members of the Energy and Natural Resources Committee
November 21, 2019
Page Three

enforcement, road maintenance, and education programs are being reduced. Nine million students in 4,400 school districts are in school with fewer teachers, staff, and reduced educational opportunities.

Since 2009, SRS forest payments to counties and schools which were based on actual historic timber receipts have decreased by more than fifty per cent from approximately \$480 million to just over \$215 million in FY 2018. This reduction is the result of a 5% mandatory drawdown which has negatively affected forest counties and schools budgets and it should be ended. When Congress reauthorized SRS, it has been on an unpredictable basis, often in a "crisis," and sometimes retroactively. SRS was not funded in FY 2016. Failure to fund SRS on time affects federal PILT payment to counties. Congress was forced in 2017, to add \$80 million in extra funds for PILT to compensate for the FY 2016 SRS non- payments.

The uncertain SRS payments are devastating local budgets of forest counties and school districts. The 775 Counties and 4,400 school districts serving over 9 million students in 41 states are facing grim financial budget cuts and the loss of county road, fire and safety services, and reductions in education services to students. Counties and school districts in Alaska, West Virginia, Washington, California, Oregon, Montana, Idaho, Mississippi, Colorado, Texas, North Dakota, Utah, Arizona, Missouri and in other states and forest communities across the country are implementing budgets that reduce administrators, teachers, and staff, cut classes for students, close libraries, end extra-curricular programs including athletics, arts, drama, music, after school programs and in too many cases close schools.

FY 2019-2020 SRS Funding: The Secure Rural Schools program is the critical safety net for forest counties and schools. The National Forest Counties and Schools Coalition asks the Energy and Natural Resources Committee and Congress to work in a bipartisan fashion to reauthorize and fund SRS for FY 2019 and FY 2020 and for the long term as the Committee and Congress work for forest management policies that improve forest health, protect natural resources, and provide economic stability and jobs.

S. 430 The Extension of Secure Rural Schools and Community Self-Determination Act: The National Forest Counties and Schools Coalition supports S. 430 the short term bill to reauthorize and fund SRS FY 2019 and FY2020 without the mandatory 5% drawdown reduction. At current levels, SRS payments are now at bare minimum levels for the program, seriously affecting the delivery of services in forest counties and schools. **Again, the Coalition requests that a short term SRS FY 2019, FY 2020 extension be at the FY 2017 level without the mandatory reduction.**

Chairwoman Murkowski, Ranking Member Manchin
and Members of the Energy and Natural Resources Committee
November 21, 2019
Page Four

SRS Title Option Flexibility: The original SRS legislation and reauthorizations were written to give county government maximum flexibility in implementing SRS's three Titles. From 2000 to 2012, county boards had the option of choosing to stay with the 1908 formula (25%) or opting into the SRS safety net. They then had the flexibility of an additional choice in splitting the Title II and Title III funds in a percentage that best suited their local conditions. Local conditions have changed profoundly since 2008-2012 for example: the increase in the size, scope and impact of wildfires. In many counties, fire prevention is a primary use of Title III funds. In California Title III funds make up the primary matching money to access the State Fire Safe Council grants. The need is critical to return to county boards the ability to adjust the Title II and Title III split to address local conditions. Timely appointment of the Resource Advisory Committees (RAC) is critical.

The Coalition recommends a return to the SRS 2008 language that allows county boards the flexibility to make local decisions based on current local conditions. In other words, please remove the freeze of SRS elections. County boards need to have the flexibility to adjust the Title II and III split. The Coalition strongly recommends a return to the SRS 2008 language that allows county boards the flexibility to make local decisions based on current local conditions. Please remove the freezing of SRS elections.

S. 1643 the Forest Management for Rural Stability Act would establish a trust fund providing long term funding and stability for the Secure Rural Schools program. The Forest Management for Rural Stability Act makes the Secure Rural Schools program permanent by creating an endowment fund providing stable, reliable funding for county and education services. The Coalition supports the legislation. A permanent endowment and trust would provide financial stability. Reliable funding to underwrite essential county service and education programs will assist rural forest communities in Alaska, West Virginia, and other states develop and sustain local economic productivity and provide jobs in our nation's forest counties and communities.

Payment in Lieu of Taxes (PILT): Again, failure to fund SRS on time directly affects federal PILT payment to counties under the PILT Act prior year payment deduction requirement. To maintain broad political support for the constituency of both programs, it is critical that Congress pass both together recognizing that their historic roots are different. The negative impact of lost SRS funds for counties and schools nationwide is compounded by uncertainty with PILT payments. Taken together, funding uncertainty with PILT and SRS creates budgetary chaos for all forest counties and schools. Again, Congress should fully fund both PILT and SRS payments on time every year.

Chairwoman Murkowski, Ranking Member Manchin
and Members of the Energy and Natural Resources Committee
November 21, 2019
Page Five

The National Forest Counties and Schools Coalition asks the Energy and Natural Resources Committee and Congress to keep the commitment that Congress first made in 1908 to counties and schools when local lands were taken from rural local communities to become the public lands that are now our national forests.

The short and long term continuation of the Secure Rural Schools Program is critical in order that our rural communities can continue to provide the essential local education, safety, fire, police, road and bridge and community services that are now at imminent risk in forest communities across the country. Congress must act to improve forest management with policies that improve forest health, protect natural resources, and stimulate and sustain local economic productivity and provide jobs in our nation's forest counties and communities.

The National Forest Counties and Schools Coalition looks forward to working with the Energy and Natural Resources Committee as you consider and address these critical issues affecting the rural forest counties and school communities across the country.

Thank you again for your consideration, leadership and support.

Sincerely,

A handwritten signature in blue ink that reads "Kermith R. Walters". The signature is fluid and cursive, with the first name "Kermith" being more prominent than the last name "Walters".

Kermith Walters, President
National Forest Counties and Schools Coalition
Superintendent of Education
Siskiyou County Office of Education



DOUG BURGUM
GOVERNOR OF NORTH DAKOTA
CHAIR

KATE BROWN
GOVERNOR OF OREGON
VICE CHAIR

JAMES D. OGSBURY
EXECUTIVE DIRECTOR

November 18, 2019

The Honorable Lisa Murkowski
Chairman
Committee on Energy and Natural Resources
United States Senate
304 Dirksen Senate Building
Washington, DC 20510

The Honorable Joe Manchin
Ranking Member
Committee on Energy and Natural Resources
United States Senate
304 Dirksen Senate Building
Washington, DC 20510

Dear Chairman Murkowski and Ranking Member Manchin:

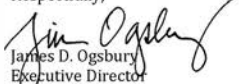
Western Governors appreciate the Committee's attention to the Payment in Lieu of Taxes (PILT) and Secure Rural Schools (SRS) programs in its upcoming hearing on November 21, 2019. Attached please find two Western Governors' items related to the PILT and SRS programs:

- Western Governors' Association Policy Resolution 2017-03, Tax-Exempt Federal Lands and Secure Rural Schools; and
- A letter from Western Governors to Congressional leadership communicating the importance of PILT and SRS to western communities.

I request that you include these documents in the permanent record of the hearing, as they articulate Western Governors' policy positions and recommendations on this important issue.

Thank you for your consideration of this request. Please contact me if you have any questions or require further information. In the meantime, with warm regards and best wishes, I am

Respectfully,


James D. Ogsbury
Executive Director

Attachments



**WESTERN
GOVERNORS'
ASSOCIATION**

**Western Governors' Association
Policy Resolution 2017-03**

Tax-Exempt Federal Lands and Secure Rural Schools

A. BACKGROUND

1. The land ownership pattern in the West is a patchwork of federal, state, tribal and privately owned and managed lands.
2. This ownership pattern results in part from the withdrawal of lands by the federal government for various federal purposes, including national parks, national forests, lands administered by the Bureau of Land Management, national wildlife refuges, national monuments, and military bases.
3. The federally-owned lands are exempt from property taxes, and recognizing the costs to states and counties from the presence of tax-exempt federal lands within their borders, in 1976 Congress enacted Public Law 94-565 to create the Payments in Lieu of Taxes (PILT) program.
4. Congress also enacted the Twenty Five Percent Fund Act of 1908 to share receipts from timber sales on U.S. Forest Service lands. Because of a dramatic decline in the amount of timber the U.S. Forest Service offered for sale starting in the late 1980s, Congress enacted the Secure Rural Schools and Community Self-Determination Act (Public Law 106-393) as an alternative mechanism to compensate states and counties for timber sold on federal lands. Congress recognized that communities adjacent to federal lands still need to provide infrastructure and services (schools, roads, emergency response, etc.) for residents and visitors, including land managers, as well as to protect wildlife and natural resources despite the loss of shared timber sales receipts. Attempting to provide SRS funding levels through the 1908 law alone would require a 400 percent increase in logging on federal lands using 2015 U.S. Forest Service receipts – an unachievable short-term outcome given current capacity planning and executing sales, appropriating sufficient funds, and local mill infrastructure.
5. In recent years, funding for both of these historic federal-state-county agreements and programs has not kept pace with inflation, has been the target of budget cutbacks and has been subjected to sequestration under the Budget Control Act.

6. Sustained and predictable payments to local government under these programs is vital to ensure continued support for federal ownership and management of lands within western states.

B. GOVERNORS' POLICY STATEMENT

1. Western Governors believe that the federal government must honor its historic PILT agreement with states and counties in the West to compensate them for tax-exempt federal lands within their borders.
2. Western Governors believe it is incumbent that the federal government ensure counties and states continue to receive predictable and adequate payments under the Secure Rural Schools program. These payments are vital to providing state and county public goods and services, such as roads, emergency response, and wildlife and natural resources protection in communities adjacent to federal lands.
3. Western Governors encourage continuation of three important programs under the Secure Rural Schools program: 1) active management and restoration of federal forests; 2) revenue sharing; and 3) collaborative processes (Title II & III) which facilitate gathering input from the general public, local government and other local community stakeholders to inform federal land management decisions.
4. Payments to states and counties under these programs should not be subject to federal sequestration. Western Governors support legislation that clarifies the unique nature of these programs.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

Western Governors enact new policy resolutions and amend existing resolutions on a bi-annual basis. Please consult www.westgov.org/policies for the most current copy of a resolution and a list of all current WGA policy resolutions.



DAVID IGE
GOVERNOR OF HAWAII
CHAIR

DOUG BURGUM
GOVERNOR OF NORTH DAKOTA
VICE CHAIR

JAMES D. OGSBURY
EXECUTIVE DIRECTOR

May 23, 2019

The Honorable Mitch McConnell
Majority Leader
United States Senate
S-230 U.S. Capitol
Washington, D.C. 20510

The Honorable Charles Schumer
Minority Leader
United States Senate
419 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker
House of Representatives
H-232 U.S. Capitol
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
House of Representatives
H-204 U.S. Capitol
Washington, D.C. 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi, and Minority Leader McCarthy:

Western Governors respectfully request your active support for the Payment in Lieu of Taxes (PILT) and Secure Rural Schools and Community Self Determination Act (SRS) programs during the current Congressional session. Western Governors have long advocated that the federal government must fulfill its obligation to fund these programs for rural counties with tax-exempt federal lands and for timber-dependent counties that rely on this funding to provide necessary government services to their citizens.

PILT compensates counties for lost property tax revenue from tax-exempt federal lands, a majority of which are in western states. These payments are not a subsidy to local governments. PILT provides funding to offset the loss of property tax revenues, because federal lands cannot be taxed. These payments also help to fund critical services on public lands, including law enforcement, search and rescue, fire management, solid waste management, and emergency medical services. Without PILT payments, local governments often lack even minimal resources to manage these important functions.

Congress passed SRS in 2000 to compensate more than 700 forest counties and school districts for timber harvesting revenue lost due to changes in federal forest management policy. SRS payments help fund critical education, infrastructure, and other basic needs in rural, forest-dependent communities.

SRS and PILT payments have been reauthorized through fiscal years 2018 and 2019 respectively. Congressional leadership is necessary to ensure that rural communities do not experience financial hardships due to delayed or discontinued payments from these programs.

Western Governors' Association Policy Resolution [2017-03, Tax-Exempt Federal Lands and Secure Rural Schools](#), expresses and explains Governors' support for these two important programs. We hope that the Governors' perspectives are helpful and that Congress fully funds PILT and SRS in the coming year.

The Honorable Mitch McConnell
The Honorable Charles Schumer
The Honorable Nancy Pelosi
The Honorable Kevin McCarthy
May 23, 2019
Page 2

Western Governors appreciate the positive effects that PILT and SRS payments have had in communities across the West. Thank you for your leadership on this matter.

Sincerely,


David Ige
Governor of Hawai'i
Chair, WGA


Doug Burgum
Governor of North Dakota
Vice Chair, WGA

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