

FROM (DEPT/ DIVISION): County Counsel

SUBJECT: SRS Election

<p>Background:</p> <p>The deadline is close for the county to elect to receive a share of the Secure Rural Schools Act payment or the 7-year rolling average of timber receipts. Because of the amount of payment, the county recently has elected to receive the 7-year average payment. SRS program payments for 2024 are projected to be greater than 1908 Act 25 percent timber harvest payments for all Oregon counties with USFS land. The proposed amount for SRS for Umatilla County is substantially more than the timber payment. The matter is before the Board to make an election. Under SRS program, the County must also elect which portion of payment to distribute to Title 1 (Roads and Schools), Title II (Federal land projects) and Title III (county wildfire protection projects, broadband access and emergency services) programs. At least 15 percent, and no greater than 20 percent must go to Title II and III.</p>	<p>Requested Action:</p> <p>Decide on election of payment, and if SRS payment is selected, then decide percentage of allocation to Title II and Title III projects</p>
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ATTACHMENTS: Memorandum; Comparison Table; SRS Allocation

*****For Internal Use Only*****

Checkoffs:

- () Dept. Heard (copy)
- () Human Resources (copy)
- () Fiscal
- (X) Legal (copy)
- () (Other - List:)

To be notified of Meeting:

Needed at Meeting:

Scheduled for meeting on: July 5, 2023

Action taken:

Follow-up:

FY 2023 Forest Service Payment to States, Public Law 117-58

Election to Receive Payment

Election to Allocate the State Payment

A county's election to receive a payment and to allocate the State payment must be transmitted by the Governor's office or other appropriate executive office of the state such as State Treasurer, on behalf of the Governor. The Forest Service will not accept an election directly from a county or from any non-governmental organization acting on behalf of a county.

Election to Receive Payment

The State must transmit, for each county in which a national forest is situated, the county's election to receive a share of the Secure Rural Schools Act State payment or a share of the State's 25-percent payment based on the 7-year rolling average annual receipts. The State may use this form to transmit county elections to the Forest Service. If the State fails to transmit a county's election by the deadline of August 1, 2023 (midnight, mountain time), the county will be considered to have elected to receive a share of the State payment.

To assist States and counties in making an informed decision between the Secure Rural Schools Act and the 1908 Act Amended payment methods the Forest Service has created a worksheet with estimated payment amounts under both methods. These estimated State Payments are calculated using the formula described in the Act and the currently available data for historic payments, acreage, per capita personal income and assumes all affected counties will elect to receive a share of the State payment. The actual county shares of the State payment will be calculated only for counties that elect to receive a share of the State payment or the county payment (for BLM lands in western Oregon) and will be calculated using the updated acreage and per capital personal income amounts available in the fall of FY2023.

Election to Allocate the State Payment

Each county that elects to receive a share of the State payment must make an additional election to allocate the State payment. The guidelines for making the allocation vary depending on the amount of the county share of the State payment.

- **\$100,000 or less. (Minor distribution)** An eligible county that elects to receive a share of the State payment that is \$100,000 or less (a minor distribution) may elect to use 100-percent of its share for public roads and schools under Title I. **A county that elects to receive a minor distribution must make an affirmative election to use the 100-percent of its share for Title I purposes.** In the alternative, the county may opt to allocate 15-percent to 20-percent of its share to Title II, Title III, or a combination of both. The total percentage allocated to Title II and Title III combined must be no less than 15-percent and no greater than 20-percent. The county also may opt to return its allocation, in whole or part, to the Federal Government.
- **\$100,001 to \$349,999 (Moderate distribution)** If the county share of the State payment is more than \$100,000 but less than \$350,000, the county must allocate 15-percent to 20-percent of its share to Title II, Title III, or a combination of both. The total percentage allocated to Title II and/or Title III must be no less than 15-percent and no greater than 20-percent. The county also may opt to return its allocation, in whole or part, to the Federal Government.
- **\$350,000 or greater (Major distribution)** If the county share of the State payment is \$350,000 or greater, the county must allocate 15-percent to 20-percent of its share to Title II, Title III, or a combination of both, except that the allocation for Title III projects may not exceed 7-percent. The total percentage allocated to Title II and Title III combined must be no less than 15-percent and no greater than 20-percent. The county also may opt to return its allocation, in whole or part, to the Federal Government.

To provide maximum flexibility, projects funded under Title II must be initiated (reviewed and recommended by a resource advisory committee) by September 30, 2025, and Title II funds must be obligated by September 30, 2026. In addition, projects funded under Title III must be initiated by September 30, 2025, and Title III funds must be obligated by September 30, 2026.

An eligible county that fails to elect to allocate its share of the State payment shall be considered to have elected to expend 80-percent of the share for public schools and roads. The remaining 20-percent will be available to the Forest Service to carry out projects in the eligible county to further the purposes of Title II.

Instructions for transmitting county elections.

In the following table, each state and county name are already populated to assist in the preparation of the form.

Enter an X in Column B for each county that elects to receive a share of the State’s 25-percent payment (the 7-year rolling average of national forest receipts). Enter an X in Column C for each county that elects to receive a share of the Secure Rural Schools Act State payment.

For each county that elects to receive a share of the Secure Rural Schools Act State payment, refer to the allocation guidelines above and then enter a numerical percentage to indicate the county’s allocation of its share of the State payment:

- Column D, enter the percent of county share of State payment to be allocated to public schools and roads;

USFS Timber Harvest Receipts and SRS Payments Comparison

County FY 24

County	SRS Full Payment Amount	25% 7 Year Rolling Average	Difference
Baker	\$931,900	\$136,300	\$795,600
Benton	\$131,600	\$21,200	\$110,400
Clackamas	\$1,182,100	\$477,200	\$704,900
Clatsop	\$0	\$0	\$0
Columbia	\$0	\$0	\$0
Coos	\$227,400	\$61,300	\$166,100
Crook	\$1,326,700	\$59,700	\$1,267,000
Curry	\$1,802,500	\$623,400	\$1,179,100
Deschutes	\$1,148,700	\$569,000	\$579,700
Douglas	\$6,914,300	\$1,050,800	\$5,863,500
Gilliam	\$0	\$0	\$0
Grant	\$3,979,300	\$242,800	\$3,736,500
Harney	\$1,637,800	\$67,000	\$1,570,800
Hood River	\$584,800	\$205,200	\$379,600
Jackson	\$1,626,100	\$503,100	\$1,123,000
Jefferson	\$497,600	\$97,700	\$399,900
Josephine	\$943,300	\$274,900	\$668,400
Klamath	\$6,669,700	\$407,500	\$6,262,200
Lake	\$2,689,500	\$279,700	\$2,409,800
Lane	\$8,751,100	\$1,894,000	\$6,857,100
Lincoln	\$1,465,500	\$228,100	\$1,237,400
Linn	\$3,189,900	\$692,700	\$2,497,200
Malheur	\$9,300	\$800	\$8,500
Marion	\$1,170,500	\$271,000	\$899,500
Morrow	\$204,000	\$36,400	\$167,600
Multnomah	\$181,800	\$77,300	\$104,500
Polk	\$3,900	\$400	\$3,500
Sherman	\$0	\$0	\$0
Tillamook	\$805,900	\$116,300	\$689,600
Umatilla	\$641,300	\$100,900	\$540,400
Union	\$772,000	\$136,400	\$635,600
Wallowa	\$1,145,900	\$83,500	\$1,062,400

Wasco	\$879,200	\$176,900	\$702,300
Washington	\$0	\$0	\$0
Wheeler	\$640,600	\$27,700	\$612,900
Yamhill	\$192,100	\$32,700	\$159,400
Total	\$52,346,300	\$8,951,900	\$43,394,400

Oregon SRS Allocations

County	Title I	Title II	Title III
Baker	85%	8%	7%
Benton	85%	15%	0%
Clackamas	85%	8%	7%
Columbia	85%	8%	7%
Coos	85%	8%	7%
Crook	85%	8%	7%
Curry	85%	8%	7%
Deschutes	83%	10%	7%
Douglas	85%	8%	7%
Grant	85%	8%	7%
Harney	85%	15%	0%
Hood River	85%	8%	7%
Jackson	85%	8%	7%
Jefferson	85%	8%	7%
Josephine	85%	8%	7%
Klamath	85%	8%	7%
Lake	85%	12%	3%
Lane	85%	8%	7%
Lincoln	85%	8%	7%
Linn	85%	8%	7%
Marion	85%	8%	7%
Morrow	85%	12%	3%
Multnomah	85%	8%	7%
Polk	85%	8%	7%
Tillamook	85%	8%	7%
Union	85%	8%	7%
Wallowa	85%	8%	7%
Wasco	85%	13%	2%
Washington	85%	15%	0%
Wheeler	85%	8%	7%
Yamhill	85%	15%	0%