

W 9 D 2

**AGENDA COVER MEMO**

---

AGENDA DATE: May 18, 2005

TO: LANE COUNTY BOARD OF COMMISSIONERS

DEPT.: LANE COUNTY ADMINISTRATOR'S OFFICE

PRESENTED BY: David Garnick, Budget and Financial Planning Manager  
Christine Moody, Management Analyst I

AGENDA ITEM TITLE: In the matter of making certain elections to receive O&C and National Forest land related payments pursuant to "Secure Rural Schools and Community Self-Determination Act of 2000" - P.L. 106-393.

---

**I.MOTION:** MOVE TO APPROVE BOARD ORDERS 05-05-18-xx MAKING ELECTIONS PURSUANT TO "THE SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT OF 2000".

**ISSUE OR PROBLEM:** Each year, the "Secure Rural Schools and Community Self-Determination Act of 2000" requires the Board to make certain elections to distribute funds to Lane County and the Resource Advisory Committees (RACs) that represent Federal lands in Lane County.

**DISCUSSION:** The elections proposed in these two Board Orders are identical to those made last year in Board Order 04-5-19-1.

A. Background: The Federal statute provides fund for schools, roads and county general funds in Title I and provides funds for projects on federal lands and county projects in Titles II and III. The primary election, the choice of either the traditional share of timber sale revenue or the new full payment amount was made four years ago and remains in effect for the entire six years of the statute. The act requires that the Board make certain other elections by September 30 of each year. However, the County's budget process requires the Board to determine the funds it will allocate to Title III now so that FY 05-06 projects supported by these funds can be approved by the Budget Committee. (The specific Title III projects are yet to be recommended by the legislative and will come before the board at a later date.) In addition, the Resource Advisory Committees (RACs) will begin meeting this June to select Federal projects for FY 05-06 and would benefit by knowing the amount of Title II funds allocated by Lane County.

The Legislative Committee has provided a recommendation to the Board for the allocation of Title II funds among the three Forest Service RACs that cover Lane County. In FY 04-05, the Board

IN THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO. 05-05-18-

- ) In the Matter of Making Certain
- ) Elections to Receive **National Forest**
- ) Related Payments Pursuant to
- ) The Secure Rural Schools and
- ) Community Self-Determination Act of 2000. P.L. 106-393.

WHEREAS, Congress enacted in 1908 and subsequently amended a law that requires that 25 percent of the revenues derived from National Forest lands be paid to states for use by the counties in which the lands are situated for the benefit of public schools and roads; and

WHEREAS, the sharing of revenues from the National Forest lands is, in part, a recognition that these lands are not subject to local taxation, and also that counties provide services that directly benefit the lands and the people who use the lands; and

WHEREAS, the principal source of revenues from National Forest lands is from the sale and removal of timber, and which has been sharply curtailed in recent years; and

WHEREAS, the volume of timber sold annually from most National Forest lands has declined precipitously, with a corresponding precipitous decline in revenues shared with counties; and

WHEREAS, the United States Congress recognized a need to stabilize education and road maintenance funding through predictable payments to the affected counties, job creation in those counties, and other opportunities associated with restoration, maintenance and stewardship of federal lands, and to achieve those goals enacted P.L. 106-393 in 2000; and

WHEREAS, P.L. 106-393 provides for guaranteed minimum payments for the benefit of affected counties, as well as an opportunity to invest a portion of the guaranteed minimum payments in projects on federal lands or that benefit resources on federal lands, or in county projects or activities; and

WHEREAS, Title I, Section 102 of P.L. 106-393 gives each eligible county the right to elect to receive either its traditional share of revenues from the National Forest lands pursuant to the Act of May 23, 1908 and Section 13 of the Act of March 1, 1911,

or instead to receive the guaranteed minimum amount, also known as the “full payment amount;” and

WHEREAS, the election to receive either the full payment amount, or instead, the traditional share of revenues, must be communicated to the Governor of Oregon, who in turn must communicate the election by each county to the Secretary of the United States Department of Agriculture; and

WHEREAS, an election to receive the full payment amount is effective for all federal fiscal years through fiscal year 2006; and

WHEREAS, Lane County is an eligible, affected county with the right to make an election pursuant to Title I, Section 102 of P.L. 106-393; and

WHEREAS, any county electing to receive the full payment amount must further elect to expend an amount not less than 15 percent nor more than 20 percent of its full payment amount as project funds in accordance with Title I, Section 102(d)(1)(A) of P.L. 106-393; and

WHEREAS, Title I, Section 102(d)(1)(B) of P.L. 106-393 requires that counties electing to receive the full payment amount must allocate its project funds for expenditure between projects in accordance with Title II of P.L. 106-393, projects in accordance with Title III of P.L. 106-393, and a return of the balance unspent under Titles II to the General Treasury of the United States, and communicate such allocation to the Secretary of the United States Department of Agriculture; and

WHEREAS, Title II of P.L. 106-393 provides for special projects on federal lands or that benefit resources on federal lands, which projects are recommended by local resource advisory committees (“RACs”); and

WHEREAS, RACs recommend projects for consideration by the Secretary of Agriculture, with project funding supplied in whole or in part out of monies allocated for such purposes by participating counties; and

WHEREAS, counties that allocate funding to projects under Title II of P.L. 106-393, and are participants in more than one RAC, may further direct that their Title II project funds be divided between different RACs according to an allocation decided by each participating county, with such funds held in the General Treasury of the United States under the name of the county with a designation of the amount allocated to each RAC; and

WHEREAS, Title III of P.L. 106-393 provides for county projects or services, some of which are associated with federal lands, with Title III authorizing expenditures for search, rescue and emergency services, staffing of community service work camps, the purchase of easements, forest related educational opportunities, fire prevention and

planning, and community forestry pursuant to the Cooperative Forest Assistance Act of 1978; and

WHEREAS, in 2001, Lane County elected to receive its full payment amount rather than electing to receive its traditional share of National Forest revenues, and that election is binding through federal fiscal year 2006:

NOW, THEREFORE, IT IS HEREBY ORDERED that Lane County allocate 20 percent of its full payment amount for expenditure on projects under Title II and Title III of P.L. 106-393. Lane County will return none (zero percent) of its full payment amount to the General Treasury of the United States pursuant to Title I, Section 102(d)(1)(B)(iii).

Of the total amount allocated to Title II and Title III projects in the paragraph above, hereinafter referred to as the "Project Funds," Lane County further allocates between such Titles for federal fiscal year 2006 (for expenditure after federal fiscal year 2005) on the following basis: 49 percent of Project Funds for expenditure on Title II projects and 51 percent of the Project Funds for expenditure on Title III projects.

Of the amount of Project Funds allocated to Title II projects in the paragraph above, Lane County further allocates between RACs as follows:

12.4 percent to the Rogue / Umpqua RAC.

17.1 percent to the Siuslaw RAC.

70.5 percent to the Hood / Willamette RAC.

ADOPTED this \_\_\_\_ day of May, 2005.

\_\_\_\_\_  
Chair, Lane County Board of Commissioners

APPROVED AS TO FORM  
Date 5/10/05 Lane County  
Teresa J. [Signature]  
OFFICE OF LEGAL COUNSEL