

Payments to States



Background

- **The 25% Fund Act, also known as the Act of May 23, 1908, was enacted to provide states 25% of all revenue received during any fiscal year from each National Forest.**
- **These revenues are collected from timber sales, mineral sales, grazing fees, and other revenue sources.**
- **Funds are to be used for the benefit of public schools and public roads of the county or counties in which such National Forest is situated.**



Background (cont.)

- Revenues have fluctuated over the years and have sharply declined in recent years in rural counties because of the drop in timber sale receipts.
- On October 30, 2000, the President signed Public Law 106-393 (H.R. 2389).
- This law is called the “Secure Rural Schools and Community Self-Determination Act of 2000” (commonly known as *Payments to States*)



Goals of the Act

- Stabilize payments to counties to provide funding for schools and roads.
- Invest in projects and create employment opportunities that:
 - Improve the maintenance of existing infrastructure (e.g, roads, trails).
 - Implement stewardship projects that enhance forest ecosystems.
 - Restore and improve land health and water quality.
- Improve cooperative relationships among the people that use and care for Federal lands and the agencies that manage these lands.

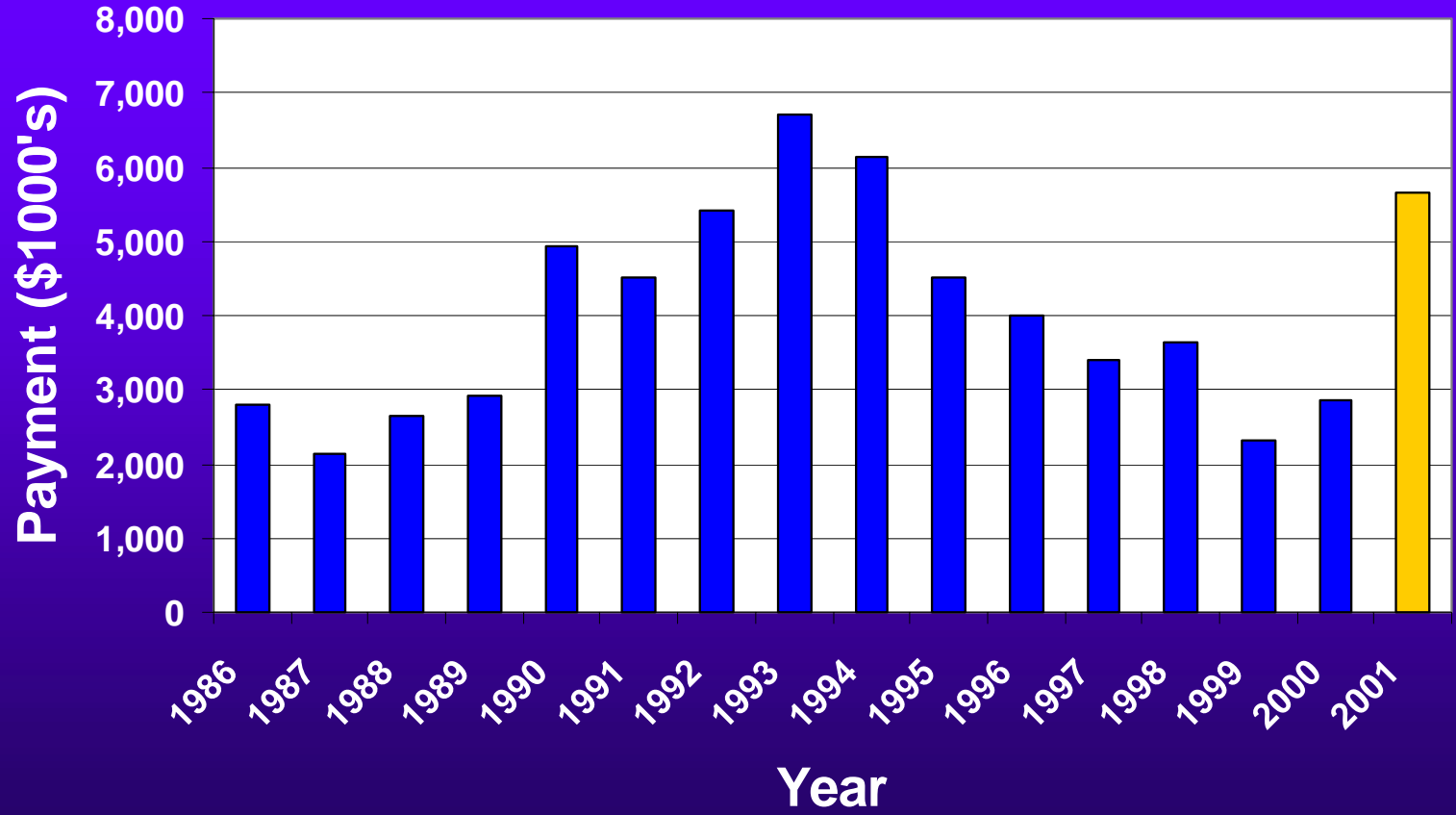


Payments

- For each year 2001-2006, the new law allows a State to receive an amount equal to the average of the State's three highest 25% payments within fiscal years 1986-1999.
- Counties elect which method (Full Payment vs. 25% Payment).



Lincoln County Payments (1986-2001)



NOTE: 2001 payment reflects Full Payment Amount

Lincoln County Payment

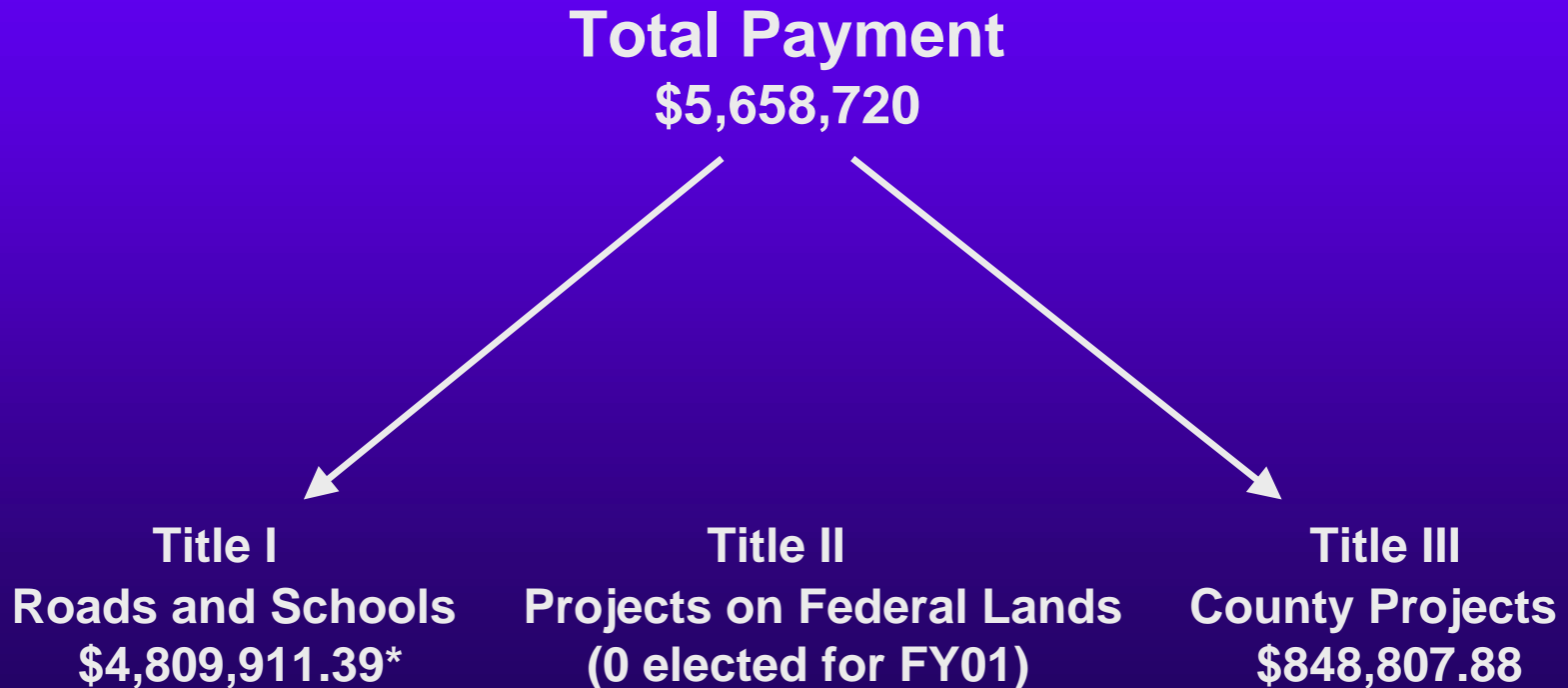
- Lincoln County elected the Full Payment Amount.
- Potential changes in total payments for Lincoln County (actual amount is determined by State):

\$2.86 million in 2000 → \$5.66 million in 2001



2001 Lincoln County Payment

Lincoln County chose to direct 15% of the FY01 payment to Title III (County) projects.



*Dependent upon State's distribution process

80-85% of Total Payment

- Called Title I Projects
- States shall distribute Title I payments among all eligible counties in accordance with the Act of May 23, 1908 and section 13 of the Act of March 1, 1911.
- Will continue to be used for funding schools and county roads (same as the historic 25% Fund).



15-20% of the Payment may be used to fund:

- Title II Projects: Special projects on Federal lands or non-Federal land projects that benefit resources on Federal lands.
- Title III Projects: County projects



Title II Projects

- **Projects on National Forest System lands or on non-Federal lands where projects benefit resources on Federal land.**
- **Examples include: watershed restoration, fuels management, noxious weed control.**



Title II Examples of Projects

- Road, trail, and infrastructure maintenance or obliteration.
- Watershed restoration and maintenance.
- Soil productivity improvement.



Title II Examples of Projects (cont.)

- Improvements in forest ecosystem health.
- Restoration, maintenance, and improvement of wildlife and fish habitat.
- Control of noxious weeds.
- Reestablishment of native species.



Title II Funding Limitations

- At least 50% of all Title II project funds shall be used for projects that are primarily dedicated to:
 - Road maintenance, decommissioning, or obliteration.
 - Restoration of streams and watersheds.



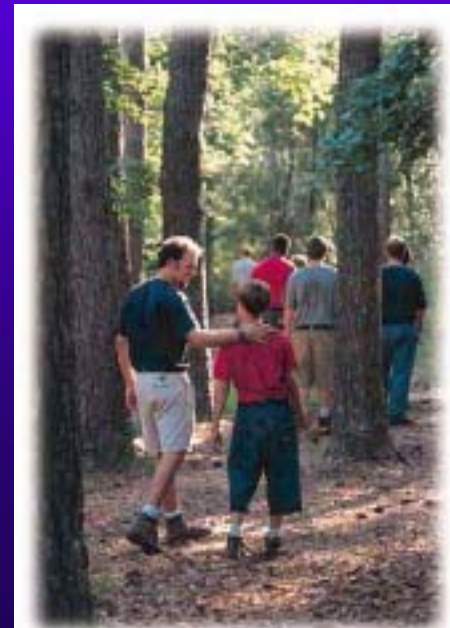
Title II Implementation

- May enter into contracts, grants, and cooperative agreements with States and local governments, private and nonprofit entities, and landowners and others.
- Best value contracting



Title III Authorized Uses

- Search, rescue, and emergency services.
- Community service work camps.
- Easement purchases.



Title III Authorized Uses (cont.)

- Forest-related educational opportunities.
- Fire prevention and county planning.
- Community forestry.



So, how should the Title II and III funds be spent?

- The new legislation gives Lincoln County many choices...



What is the Process for Approving Projects?

Title II Projects
Proposals benefit
resources on Federal lands



**Resource Advisory
Committee**
Reviews and recommends
projects



Forest Supervisor
Final approval

Title III Projects
Search and rescue
Environmental education
Community service work
Fire prevention and county planning
Easement purchases
Community forestry



General Public and RAC
45-day public comment period
RAC reviews projects



County
Final approval



What is a Resource Advisory Committee?

- A collaborative group of 15 non-agency individuals representing a diversity of interests.
- Three-year appointments, with reappointment by Secretary of Agriculture.
- Operate under rules of the Federal Advisory Committee Act (FACA).



Role of the Resource Advisory Committee

- **To review and recommend Title II projects to the Secretary for funding.**
- **To coordinate with the Forest Service in recommending projects.**
- **To provide frequent opportunities for stakeholders to participate in project development.**



Lincoln County RAC Membership

Group A

Organized labor:	Tony Johnson
Outdoor recreation, OHV users, or commercial recreation:	John Hossack
Energy and mineral development:	Kenneth Stephens
Commercial timber:	Keith Glover
Grazing permittees or other land-use permittees:	Lee Disney
Replacement member:	Tim Ryan



Lincoln County RAC Membership

Group B

Nationally recognized environmental organization:	Tim Linehan
Regionally recognized environmental organization:	George Martin
Locally recognized environmental organization:	Robyn King
Dispersed recreation:	Daniel Siefert
Archaeological and historical interests:	D. Wayne Hirst
Replacement member:	Peter Kitts



Lincoln County RAC Membership

Group C

State-elected officer or designee:	Eileen Carney
County or local-elected officer:	Rita Windom
School official or teacher:	Gary Huntsberger
Affected public-at-large:	Russell Hudson
Affected public-at-large:	Bruce Vincent
Replacement member:	Marianne Roose



Websites for More Information

- **Payments to States:**
 - www.fs.fed.us/r1/forest_range/payment_to_states/payments_index
 - www.fs.fed.us/payments/
 - www.r5.fs.fed.us/pay2states
- **Watershed Programs:**
 - www.usda.gov/stream_restoration/
 - www.fs.fed.us/largewatershedprojects/
 - <http://water.montana.edu/watersheds/>
 - www.kootenairivernetwork.org



More Websites

- **Wildlife and Fisheries:**
 - www.fwp.state.mt.us/habitat/
- **Community Forestry:**
 - www.dnrc.state.mt.us/forestry/CommunityForestryManagement/

