



ALEX CUYLER

Intergovernmental Relations Manager
Alex.Cuyler@co.lane.or.us

MEASURE: SB 443
EXHIBIT: L
HOUSE REVENUE COMMITTEE
DATE: 6/8/2011 PAGES: 1
SUBMITTED BY: ALEX CUYLER

DATE: June 8, 2011
TO: House Committee on Revenue
RE: SB 443, relating to county road funds

Committee Members:

The Lane County Board of Commissioners has prioritized SB 443 as one of the most important bills that it has examined over the course of this legislative session. We ask that you recommend a DO PASS as a result of today's hearing.

This bill extends a policy created late in the 2007 Legislature, after it became clear that the United States Congress had still not reauthorized the Secure Rural Schools Act (SRS). SRS is the vehicle that Congress developed in the late 1990's in order to continue its century long commitment to Oregon's counties. That commitment recognizes the vast land holdings that the federal government has in the form of national forests under management by the Department of Agriculture and the Department of the Interior. When a century of timber harvests and subsequent revenue declined rapidly due to federal policy actions, SRS replaced that money. Douglas and Lane Counties are the top two receivers of these dollars in the nation. Thus, when the Act sunsets, the dollar impact is huge.

In 2008, after exhausting option after option to reauthorize the Act, the Oregon Congressional delegation was successful in inserting a reformatted Act (now with a four year rampdown, and new funding formula) into the Toxic Asset Relief Act (TARP). For Lane County, the outcome of the Act is provided in the following table:

FY	Lane Co. Full Payment	Title II & III	Net to Lane County		O&C Revenue	USFS Rev per ORS		
			15%	85%		75%	25%	
					Gen'l Fd	Road Fd	School Fd	
08-09	46,705,669	7,005,850	39,699,819	13,561,419		19,603,800	6,534,600	
09-10	42,035,102	6,305,265	35,729,837	12,205,277		17,643,420	5,881,140	
10-11	37,883,488	5,682,523	32,200,965	10,999,817		15,900,860	5,300,287	
11-12	18,130,002	2,719,500	15,410,501	6,161,463		6,936,779	2,312,260	
total	144,754,261	21,713,139	123,041,122	42,927,976		60,084,860	20,028,287	
Post-2012 revenue based on estimated harvest						1,200,000	2,000,000	660,000

Today, Lane County is in the exact same position as we were in June, 2007, that is, asking the Legislature to again provide us with as much flexibility as possible during this time of uncertainty, as we, and our federal delegation, work to again reauthorize this Act. SB 443 provides that flexibility with the appropriate sidebars provided by its eventual sunset.