



California State Association of Counties
1100 K Street, Suite 101
Sacramento, CA 95814

May 30, 2008

TO: Members of the California Congressional Delegation

RE: Support H.R. 3058

As you know, Representative Peter DeFazio's (D-OR) Secure Rural Schools/County Payments reauthorization legislation (HR 3058) is scheduled to be considered next Tuesday under suspension of the rules. The California State Association of Counties (CSAC), representing all 58 counties in California, urges you to vote in favor of this important legislation.

HR 3058 would provide four-years of transition payments to forest counties, through 2011, using a new funding formula. The formula would be based on the following three factors: the historical allocation; the concentration of public land within each county; and, the current economic condition of each county. Under the bill, payments to counties would be ramped down by 10 percent, fulfilling the principles of the National Forest Counties Schools Coalition that the safety-net payments would be a temporary program.

It should be noted that the bill would provide transition funding to counties in eight states to assist in their adjustment to the new distribution formula (the eight states are: CA, OR, WA, LA, PA, SC, SD, and TX).

With regard to the legislation's cost, Section 4 of the bill would provide a spending offset using Outer Continental Shelf (OCS) Conservation of Resource Fees. According to the Congressional Budget Office, which has released a preliminary cost estimate of the floor version of HR 3058, there would be no net increase in direct spending over a five or ten-year period.

Finally, in a departure from the version of the bill that was approved by the Natural Resources Committee, the floor version of HR 3058 does not include mandatory funding for the Payment-in-lieu-of-Taxes (PILT) program. The PILT funding was removed in order to reduce the cost of the legislation.

For additional details on the bill, please refer to the attached Floor Version Summary of HR 3058.

Thank you for your consideration of this request. If you have any questions or need additional information, please do not hesitate to contact me at (916) 327-7500 or CSAC's Washington office at (202) 898-1444.

Sincerely,

A handwritten signature in black ink that reads "Paul McIntosh".

Paul McIntosh
Executive Director
California State Association of Counties