

**COUNTY OF OTERO, NEW MEXICO
COUNTY COMMISSION SPECIAL MEETING AGENDA
COMMISSION CHAMBERS - Rm#253
FRIDAY, NOVEMBER 7, 2008 - 10:00 a.m.**

**Commission Chairman: Doug Moore, Commission District 1
Commission Vice-Chairperson: Clarissa McGinn, Commission District 2
Commission Member: Michael Nivison, Commission District 3**

INVOCATION

PLEDGE OF ALLEGIANCE

"I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all."

SALUTE TO THE FLAG OF NEW MEXICO

"I salute the flag of the state of New Mexico, the zia symbol of perfect friendship among united cultures."

NEW BUSINESS:

CONSENT AGENDA

All items marked "CA" will be approved by a single motion, these items on the "Consent Agenda" are considered routine and should not require further discussion. Items can be removed at the request of a Commissioner, County staff, or a member of the public, removed items will be heard in the order of the numbered sequence

- 1) **Canvass of votes for the 2008 General Election.**
- 2) **Federal Forest Reserve Payments to States (Secure Rural Schools and Community Self Determination Act). Submitted by: Timothy Smith**

ADJOURNMENT

**For Information Only:
The next regularly scheduled
Otero County Commission meeting
is Thursday, November 20, 2008 at 6:00 p.m.**

AGENDA REPORT

Otero County Commission

Meeting Date: November 7, 2008

Report Date: October 28, 2008

Submitted by: Tim Smith

Approved for Agenda: 

Subject: Federal Forest Reserve Payments to States (Secure Rural Schools and Community Self Determination Act)

Research/Background: HR 1424 has significantly changed the payout for the SRS program. The FY2007 payment was \$105,777, split 50/50 with the Otero County schools districts. Under the new legislation we receive \$1,205,532 in FY2008, \$1,084,979 in FY 2009, \$976,481 in FY 2010, and \$878,833 in FY 2011. Under this program we must elect whether or not to accept the full amount or the 25% rolling average, which would amount to approximately \$103,000. However, there is a catch. In attachment C you will note the allocations the county must make, and there are three different programs. Under Title I we could elect to receive between 80 – 85% which is split between the county and our school districts. At 85% we would receive \$512,351.10 and the schools would receive the same. Title I monies can only be used for schools and roads. Title II funds are to be used for forest restoration. However, any funds in this category will be allocated by a Resource advisory committee (RAC) made up of local citizens, academics, Forest Service employees and local government representatives. The RAC for this area of the state has not been established, and will take some time to set up. Title III funds are to be used for fire safety planning, and search and rescue type of activities. The maximum percentage for Title III at our level of reimbursement is 7%. Enclosed in your info packet are definitions of Title II & III activities. I've also enclosed the legislation for your information. In order for the county to receive the full allocation we must fax the election form to DFA no later than November 7th. Please see attached spreadsheet to see estimated payment and affect on PILT payments.

Staff/Department Recommendation: Recommend the following allocations:

Title I (85%)
Title II (8%)
Title III (7%)

This report and all attached documents have been reviewed by:

_____ Name	_____ Department	Recommend approval <input type="radio"/> Yes <input type="radio"/> No
_____ Name	_____ Department	Recommend approval <input type="radio"/> Yes <input type="radio"/> No
_____ Name	<u>Admin</u> Department	Recommend approval <input checked="" type="radio"/> Yes <input type="radio"/> No

This item was approved by the Board of County Commissioners on 11/7/08.

ADOPTING FULL FUNDING

	FY2008	FY2009	FY2010	FY2011	4 YR Total
Full SRS Payment	1,205,532	1,084,979	976,481	878,833	
		Schools	Schools	Schools	Schools
Title I	512,351	461,116	415,004	373,525	1,761,996
Title II 8%	96,442	86,798	78,118	70,306	331,664
Title III 7%	84,387	75,948	68,353	61,518	290,206
PILT*	2,847,111	2,303,262	2,362,936	2,416,643	
Total	3,540,291	2,927,124	2,924,411	2,921,992	12,313,818
					County

*(PILT is decreased by prior year federal payments, Title I&III)

Discounting Title II	(These funds will be controlled by the RAC and Forest Service)			
3,443,849	2,840,326	2,846,293	2,851,686	11,982,154
Discounting Title III (These funds are locked into a specific purpose)				
3,359,462	2,764,378	2,777,940	2,790,168	11,691,948

ADOPTING 25% ROLLING AVERAGE PAYMENT

	FY2008	FY2009	FY2010	FY2011	
25% Payment	51,862	46,675	42,008	37,808	178,353
PILT	2,847,111	2,848,138	2,853,325	2,857,992	
Total to GF	2,898,973	2,894,813	2,895,333	2,895,800	11,584,919
					County

1. Total benefit to the County, Schools and Forest Service adopting full funding formula: \$14,075,814.
2. Total benefit to the County and Schools adopting 25% formula: \$11,763,272.
3. Adopting the 25% option the County will forgo approximately \$397,235 in the General Fund, \$1,583,643 for the School districts and \$331,664 for forest restoration funding.

FY 2008 PAYMENTS TO STATES ELECTION FORM

FOR COUNTIES RECEIVING PAYMENTS UNDER P.L. 110-343

The following format is requested by the Forest Service to provide the proper payment for Counties under Public Law 110-343 (SRS Act). The information should be mailed, e-mailed, or faxed to LGD on or before November 7, 2008 (refer to cover memorandum.)

County Name: _____

Preparer's Name: _____

Phone Number: _____

Instructions (please read carefully before completing table):

- Each county must elect to receive one of the following payments: (1) a share of the State's 25-percent rolling average payment in Column C, or (2) a share of the State payment (formula payment) in Column D.
- For a county that elects Column C, no additional information is needed.
- For a county that elects Column D, the following additional information is needed:
 - If the county share of the State payment is greater than \$100,000 but less than \$350,000, the county must allocate a total of 15% to 20% of its share to Title II projects in Column E and/or to Title III projects in Column F. The total of percentage amounts in Columns E and F must be no less than 15% and no greater than 20%.
 - If the county share of the State payment is \$350,000 or greater, the county must allocate a total of 15% to 20% of its share to Title II projects in Column E and/or to Title III projects in Column F, except that the allocation for Title III projects may not exceed 7%. The total of percentage amounts in Columns E and F must be no less than 15% and no greater than 20%.
 - If the county share of the State payment is less than \$100,000, the county may, but is not required to, allocate its share in the same manner as a county with a share that is greater than \$100,000 but less than \$350,000.

Option 1 Option 2 (see instructions for Titles II & III)

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Entry No.	County Name	25% Rolling Average Election	State Payment	Share of State Payment	Share of State Payment	Total Column E and Column F (15 to 20%)
1						

Notes:

If Option 1 is selected, Column C must always be 100%.

If Option 2 is selected, the total percentage for Columns (D), (E) and (F) must equal 100%.



STATE OF NEW MEXICO
DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION
Bataan Memorial Building, Sta. 201 • Santa Fe, New Mexico 87501
Phone: (505) 827-4950 • FAX (505) 827-4948
www.lgd.state.nm.us

BILL RICHARDSON
GOVERNOR

KATHERINE B. MILLER
CABINET SECRETARY

MEMORANDUM

ROBERT M. APODACA
DIRECTOR

TO: County Commission Chairs and County Managers
Public Education Department, School Budget Section

FROM: Robert M. Apodaca, Director *RA*
Local Government Division, DFA

DATE: October 21, 2008

SUBJECT: Federal Forest Reserve Payments to States

As you may be aware, the federal law relating to the Federal Forest Reserve payments (Public Law 106-393, October 30, 2000, known as the Secure Rural Schools and Community Self-Determination Act of 2000) has been amended and reauthorized for fiscal years 2008 through 2011 by Public Law 110-343 (the "SRS Act").

This memorandum, along with the attachments, explains important deadlines that must be met so that counties can make decisions that affect their federal forest reserve funding.

Description of Attachments:

Attachment A – October 17, 2008 letter to states from the Forest Service, Albuquerque Service Center.

Attachment B – October 17, 2008 letter to regional foresters from the Forest Service, Washington Office. This letter provides a summary of the major changes under P.L. 110-343 and should be read by counties prior to filling out the election form.

Attachment C – FY2008 Payments to States Election Form to be submitted by counties to the Local Government Division (LGD).

Attachment D - Spreadsheet showing *projected* county payments based on the two options that counties must choose from (1) 25% Rolling Average and (2) Full Funding Amount.

Deadlines:

By November 7, 2008, counties submit Attachment C to LGD:

By Mail:

Brenda L. Suazo-Giles
NM Department of Finance and Administration
Local Government Division
Bataan Memorial Building, Suite 201
Santa Fe, NM 87501

By Fax:

(505) 827-4340

By E-mail:

BrendaL.Suazo-Giles@state.nm.us

By November 14, 2008, LGD compiles and forwards county election information to Forest Service.

October 21, 2008

Forest Reserve Memorandum to Counties

Please keep in mind that November 14th is a deadline that will not be extended. By federal law, failure to submit county elections by this deadline will result in the county returning 15 percent of its share of the State payment to the U.S. Treasury in lieu of making a 15 to 20 percent allocation for Title II and/or Title III projects.

Based on the *projected* full payment amounts, there are increases for all New Mexico counties as compared to 2007 actual payments (see Attachment D). Because some of the *projected* increases are significant, counties should pay close attention to the allocation requirements for Title II and Title III projects as summarized on Attachment B (pages 2 and 3).

For information on developing Resource Advisory Committees for Title II projects, work with the Forest Supervisor(s) in your area:

Carson National Forest – Kendall Clark

Cibola National Forest – Nancy Rose

Gila National Forest – Richard Markley

Lincoln National Forest – Jacque Buchanan

Santa Fe National Forest – Daniel Jiron

Additional information on the SRS Act, including any revisions to county payment projections, can be found on the Forest Service website at: <http://www.fs.fed.us/srs/>.

If you have any questions, please contact Brenda L. Suazo-Giles at (505) 827-4127.

RMA/blsg

Enclosures



File Code: 6540

Date: October 17, 2008

Dear State Treasurer:

Enclosed you will find a copy of the letter to the Regional Foresters regarding the Secure Rural Schools and Community Self Determination Act, as amended and reauthorized by P.L. 110-343 (the "SRS Act"). This letter explains the actions that must be taken by States and counties in order to receive payments under the SRS Act and sets forth important deadlines for these actions.

By no later than November 14, 2008, each State must submit the enclosed election form per the instructions in the attached letter to:

U.S. Forest Service
Albuquerque Service Center, B&F
ATTN: Winona Gleason
TSA & Other Collections, ASR
101B Sun Avenue, NE
Albuquerque, NM 87109

This is a hard deadline that can not be extended. We strongly encourage the State to transmit the election form in advance of the deadline to ensure that any concerns may be addressed before November 14. By law, failure to submit these elections by the deadline will result in the county being considered to have elected to receive a share of the State payment (the formula payment) and to return 15-percent of its share to the Treasury in lieu of allocating 15 to 20-percent for Title II or Title III projects.

We will accept the Election Form via email or Fax, as follows: wgleason@fs.fed.us
Fax: (866)-343-2634

Please feel free to contact Winona Gleason of my staff at 505-563-7467 for any questions.

Sincerely,

/s/ Donna Carmical (for):
JESSE L. KING
Chief Financial Officer

cc: Winona Gleason

Attachment A





Forest Service

Washington Office

1400 Independence Avenue, SW
Washington, DC 20250

File Code: 1010/1560/6540

Date: October 17, 2008

Subject: Payments to States

To: Regional Foresters

**FORWARDING ACTION DUE OCTOBER 20, 2008
REPLY DUE NOVEMBER 14, 2008**

The Secure Rural Schools and Community Self-Determination Act 2000 (P.L. 106-393) was amended and reauthorized for fiscal years 2008 through 2011 by section 601, Division C, of P.L. 110-343, which was signed by the President on October 3, 2008. As compared to P.L. 106-393, P.L. 110-343 contains significant changes in Title I but leaves Titles II and III largely intact. This letter sets forth the process for proper implementation of P.L. 110-343 (the "SRS Act") for the payments to States.

By **October 20, 2008**, please ensure that Forest Supervisors and appropriate State and county officials receive a copy of this letter and the enclosures. The Albuquerque Service Center (ASC) will contact State Treasurers directly. The Department of the Interior will provide a separate notice for payments to BLM counties.

By **November 14, 2008**, each State must submit to the Forest Service the following information: (1) each county's election to receive a share of the State payment under the SRS Act, or a share of the 25-percent payment; and (2) for each county that elects to receive a share of the State payment under SRS, the county's allocations for Title II and Title III projects. Counties in States that receive transition payments also must make these elections and allocations.

Each State should forward the requested information in a single submission, by mail or by fax, to the Forest Service at:

Mail
US Forest Service
Attn: Winona Gleason
Albuquerque Service Center, B&F
TSA & Other Collections
101B Sun Avenue NE
Albuquerque, NM 87109

FAX
(866) 343-2634

EMAIL/Phone
wgleason@fs.fed.us
505-563-7467

Payment Amounts

Section 102(a)(1) of the SRS Act directs the Secretary of the Treasury to pay each State or territory the sum of the amounts elected by the counties in that State for either: (1) a share of the State's 25-percent payment; or (2) a share of the State payment. In lieu of a State payment, section 103(b) requires that a transition payment be made to each covered State. The covered



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Attachment B

States are California, Louisiana, Oregon, Pennsylvania, South Carolina, South Dakota, Texas, and Washington.

The SRS Act contains the formulas for calculating a State payment and a covered State's transition payment. P.L. 110-343 also changed the way in which 25-percent payments are calculated. Using these formulas, the Forest Service has calculated the projected State payments, transition payments, and 25-percent payments. These calculations are posted on the Forest Service website at: <http://www.fs.fed.us/srs/>.

Briefly, section 101(a) contains the formula for calculating the State payment. (Under P.L. 106-393, this payment was the State's full payment amount, which was calculated using a different formula.) To calculate a State payment, the "adjusted share" for each eligible county within the State is multiplied by the "full funding amount" for the fiscal year (FY) for which the payment is made. The State payment is the sum of these amounts. The full funding amount decreases each fiscal year. Transition payments are made under section 103(b) using a different formula and are based on a State's "adjusted amount" that declines each fiscal year. A State's 25-percent payment is now based on a 7 year rolling average.

County Elections Under Section 102(b)

The calculations on the Forest Service website will assist the counties in making an informed decision about their payment elections. Under section 102(b)(1) of the SRS Act, a county must elect to receive: (1) a share of the State's 25-percent payment; or (2) a share of the State payment. For FY 2008 county election, we have extended the deadline for the counties to make their elections, and the States to submit them to the Forest Service. States must submit county elections under section 102(b)(1) to the Forest Service by no later than November 14, 2008. If this deadline is not met, section 102(b)(1) provides that the county is considered to have elected to receive a share of the State payment.

A county election to receive a share of the State's 25-percent payment is effective for the FY 2008 and FY 2009 payments. By August 1, 2010, counties that made this election must again choose whether to receive a share of the State payment or the State's 25-percent payment for FY 2010 and FY 2011, and the State must submit these elections to the Forest Service. In contrast, a county that elects to receive a share of the State payment, including an eligible county in a transition State that receives a share of the State's transition payment in lieu of the State payment, may not change its initial election.

County Allocations for Projects Under Title II and Title III

Section 102(d) of the SRS Act requires a county that elects to receive its share of the State payment (or its share of a transition payment, in the case of a county in a covered state) to spend no less than 80 and no more than 85 percent of the funds in the same manner as the 25-percent payments are expended. The county also is required to reserve the balance of its share for one or more of the following purposes: projects under Title II of the Act; projects under Title III; or the Treasury of the United States. A county that will receive less than \$100,000 (inclusive of a

county payment under section 102(a)(2)(B), if applicable), may elect to spend all of its funds in the same manner as the 25-percent payments are expended.

The SRS Act makes one significant change to the county allocations under P.L. 106-393. For an eligible county that receives \$350,000 or more as its share of the State payment (inclusive of a county payment under section 102(a)(2)(B), if applicable), the county may reserve no more than seven percent of its payment for Title III projects.

Under section 102(d)(3)(A), the deadline for the counties to make their elections is September 30, 2008, or as soon thereafter as the Secretary of Agriculture determines is practicable, and each September 30 thereafter. We have extended the deadline for the FY 2008 payment. States must submit county allocations for Title II and Title III to the Forest Service by November 14, 2008. If a county does not submit its allocations by this deadline, the SRS Act requires that 15 percent of the county's share must be transferred to the Treasury.

Resource Advisory Committee Recommendations for Title II Projects

Under sections 203(a) and 207(a), each Resource Advisory Committee (RAC) must submit projects that it proposes the Forest Service carry out using county allocations for Title II. Projects must be submitted by September 30, 2008, or as soon thereafter as the Secretary of Agriculture determines is practicable, for the payment for FY 2008, and each September 30 thereafter. We will be extending this deadline for the payment for FY 2008 to a date in calendar year 2009. The Forest Service will notify the RACs of the extension date and provide additional information concerning RACs in a separate letter.

As we implement the SRS Act, counties and States that have questions may contact their Forest Supervisor or Regional Forester. Forest Service personnel should direct their questions to Debra Whitall of the Partnership Office at 202-205-0967, or Marie-Louise (ML) Smith of Legislative Affairs at 202-205-1030.

The reauthorization of the Secure Rural Schools Act represents a renewed and, in many cases, new opportunities, for counties, Resource Advisory Committees, and National Forests to work together to maintain infrastructure, improve the health of watersheds and ecosystems, protect communities, and strengthen local economies. We look forward to collaborating with communities to fully implement the Act.

/s/ Sally Collins for
ABIGAIL R. KIMBELL
Chief

cc: Associate Chief
Deputy Chiefs
Station Directors
Area Director

Enclosures

OPTION 1

OPTION 2

County	Projected County Share of State's 2007 Payment (Year Rolling Average)		Adjusted Share	FY2006	FY2005	FY2004	FY2003	FY2002
	FY2006	FY2005						
NM BERNALILLO	\$8,438	0.0142%		\$70,321	\$63,828	\$57,445	\$51,701	\$243,897
NM CATRON	\$3,711	0.0129%		\$64,418	\$57,976	\$52,179	\$48,981	\$221,533
NM CHIEGLA	\$6,391	0.0234%		\$117,191	\$105,472	\$94,825	\$85,432	\$403,030
NM COLFAX	\$12,421	0.0281%		\$146,898	\$132,800	\$118,844	\$106,579	\$495,229
NM EDOY	\$27,674	0.2837%		\$1,488,898	\$1,321,800	\$1,188,820	\$1,070,888	\$6,080,743
NM GRANT	\$7,483	0.0334%		\$108,822	\$94,858	\$83,082	\$77,883	\$388,578
NM HIDALGO	\$37,354	0.1504%		\$751,888	\$676,790	\$608,111	\$548,200	\$2,588,888
NM LINCOLN	\$2,322	0.0225%		\$40,888	\$37,310	\$34,088	\$31,814	\$157,311
NM LOS ALAMOS	\$22,138	0.1130%		\$555,077	\$508,570	\$457,713	\$411,941	\$1,943,301
NM MCKINLEY	\$1,982	0.0211%		\$1,205,532	\$1,084,579	\$975,481	\$876,833	\$4,145,828
NM MOBA	\$128,758	0.5708%		\$2,088,843	\$1,888,887	\$1,713,781	\$1,568,812	\$9,815,124
NM OTERO	\$34,829	0.1381%		\$680,271	\$612,244	\$551,020	\$495,918	\$2,338,454
NM RIO ARRIBA	\$30,818	0.1054%		\$555,422	\$498,581	\$451,085	\$407,366	\$1,830,183
NM SANTA FE	\$22,362	0.0321%		\$180,449	\$144,404	\$128,954	\$116,967	\$561,784
NM SIERRA	\$13,823	0.1658%		\$228,823	\$178,812	\$163,219	\$148,823	\$708,847
NM SOCORRO	\$68,800	0.2535%		\$1,257,283	\$1,140,564	\$1,028,499	\$923,849	\$4,358,185
NM TACS	\$17,570	0.1451%		\$288,888	\$268,815	\$248,888	\$228,888	\$1,152,888
NM TORRANCE	\$17,018	0.0590%		\$294,874	\$285,387	\$238,848	\$214,933	\$1,014,073
NM VALENCIA	\$1,755	0.0052%		\$28,888	\$27,888	\$26,888	\$25,888	\$128,888
STATE TOTALS	\$588,723	4.600%		\$20,000,000	\$18,000,000	\$16,000,000	\$14,000,000	\$60,000,000

Actual 2007 Payment
\$13,278
\$733,422
\$7,555
\$55,885
\$21,155
\$25,368
\$119,377
\$114,032
\$74,368
\$10,470
\$33,244
\$34,324
\$105,777
\$451,711
\$118,621
\$85,485
\$52,673
\$108,475
\$157,918
\$26,984
\$2,838

Source: U.S. Forest Service spreadsheet e-mailed to DFA/LGD on 10/20/08.

Attachment D

Title III-County Funds

Title III is modified by changing the types of activities eligible for funding, by adding a certification requirement, and by requiring counties to return funds not obligated by September 30, 2012, to the Treasury.

- Eliminates some authorized uses: e.g., community service work camps, easement purchases, forest related after school programs, planning efforts to reduce or mitigate the impact of development on adjacent Federal lands.
- Title III funds may be used *only* to carry out the Firewise Communities program, develop community wildfire protection plans, and reimburse for emergency services paid for by counties and performed on Federal land (e.g. search and rescue, firefighting).
- There is a new requirement that counties allocating funds for title III projects must submit a certification that the funds were used in accordance with title III (including a description of amounts and uses).
- The authority to initiate title III projects now terminates on September 30, 2011. There is a new requirement that funds not obligated by September 30, 2012, be returned to the Treasury.

Title II-Special Projects on Federal Land

Title II remains intact in significant part. It differs from P.L. 106-393 in the following ways:

- Resource advisory committees (RAC) established under P.L. 106-393 may be 'renewed' by the Secretary, including charters and appointments. Pending the decision by the Secretary, charters and appointment terms may be renewed for 4 years.
- RAC duties are expanded to include monitoring of project progress and making recommendations for appropriate changes to projects being monitored.
- RAC composition is expanded to permit non-timber forest product harvester groups, commercial and recreational fishing interests, nonindustrial private forest landowners, wildlife or hunting organizations, and watershed associations to participate.
- The authority to initiate Title II projects terminates on September 30, 2011. Funds that are not obligated by September 30, 2012, must be transferred to the Treasury.

This document is excerpted from H.R. 1424 (Enrolled as Agreed to or Passed by Both House and Senate) as published on the Government Printing Office webpage: <http://www.gpo.gov>

H. R. 1424

**One Hundred Tenth Congress
of the
United States of America**

AT THE SECOND SESSION

*Began and held at the City of Washington on Thursday,
the third day of January, two thousand and eight*

An Act

To provide authority for the Federal Government to purchase and insure certain types of troubled assets for the purpose of providing stability to and preventing disruption in the economy and financial system and protecting taxpayers, to amend the Internal Revenue Code of 1986 to provide incentives for energy production and conservation, to extend certain expiring provisions, to provide individual income tax relief, and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

This document is excerpted from H.R. 1424 (Enrolled as Agreed to or Passed by Both House and Senate) as published on the Government Printing Office webpage: <http://www.access.gpo.gov>

SEC. 601. SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION PROGRAM.

(a) REAUTHORIZATION OF THE SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT OF 2000.—The Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 500 note; Public Law 106-393) is amended by striking sections 1 through 403 and inserting the following:

“SEC. 1. SHORT TITLE.

“This Act may be cited as the ‘Secure Rural Schools and Community Self-Determination Act of 2000’.

“SEC. 2. PURPOSES.

“The purposes of this Act are—

“(1) to stabilize and transition payments to counties to provide funding for schools and roads that supplements other available funds;

“(2) to make additional investments in, and create additional employment opportunities through, projects that—

“(A)(i) improve the maintenance of existing infrastructure;

“(ii) implement stewardship objectives that enhance forest ecosystems; and

“(iii) restore and improve land health and water quality;

“(B) enjoy broad-based support; and

“(C) have objectives that may include—

“(i) road, trail, and infrastructure maintenance or obliteration;

“(ii) soil productivity improvement;

“(iii) improvements in forest ecosystem health;

“(iv) watershed restoration and maintenance;

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- “(v) the restoration, maintenance, and improvement of wildlife and fish habitat;
 - “(vi) the control of noxious and exotic weeds; and
 - “(vii) the reestablishment of native species; and
- “(3) to improve cooperative relationships among—
- “(A) the people that use and care for Federal land; and
 - “(B) the agencies that manage the Federal land.

***SEC. 3. DEFINITIONS.**

“In this Act:

“(1) **ADJUSTED SHARE.**—The term ‘adjusted share’ means the number equal to the quotient obtained by dividing—

“(A) the number equal to the quotient obtained by dividing—

“(i) the base share for the eligible county; by

“(ii) the income adjustment for the eligible county;

by

“(B) the number equal to the sum of the quotients obtained under subparagraph (A) and paragraph (8)(A) for all eligible counties.

“(2) **BASE SHARE.**—The term ‘base share’ means the number equal to the average of—

“(A) the quotient obtained by dividing—

“(i) the number of acres of Federal land described in paragraph (7)(A) in each eligible county; by

“(ii) the total number acres of Federal land in all eligible counties in all eligible States; and

“(B) the quotient obtained by dividing—

“(i) the amount equal to the average of the 3 highest 25-percent payments and safety net payments made to each eligible State for each eligible county during the eligibility period; by

“(ii) the amount equal to the sum of the amounts calculated under clause (i) and paragraph (9)(B)(i) for all eligible counties in all eligible States during the eligibility period.

“(3) **COUNTY PAYMENT.**—The term ‘county payment’ means the payment for an eligible county calculated under section 101(b).

“(4) **ELIGIBLE COUNTY.**—The term ‘eligible county’ means any county that—

“(A) contains Federal land (as defined in paragraph (7)); and

“(B) elects to receive a share of the State payment or the county payment under section 102(b).

“(5) **ELIGIBILITY PERIOD.**—The term ‘eligibility period’ means fiscal year 1986 through fiscal year 1999.

“(6) **ELIGIBLE STATE.**—The term ‘eligible State’ means a State or territory of the United States that received a 25-percent payment for 1 or more fiscal years of the eligibility period.

“(7) **FEDERAL LAND.**—The term ‘Federal land’ means—

“(A) land within the National Forest System, as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)) exclusive of the National Grasslands and land utilization

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projects designated as National Grasslands administered pursuant to the Act of July 22, 1937 (7 U.S.C. 1010-1012); and

“(B) such portions of the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant land as are or may hereafter come under the jurisdiction of the Department of the Interior, which have heretofore or may hereafter be classified as timberlands, and power-site land valuable for timber, that shall be managed, except as provided in the former section 3 of the Act of August 28, 1937 (50 Stat. 875; 43 U.S.C. 1181c), for permanent forest production.

“(8) 50-PERCENT ADJUSTED SHARE.—The term ‘50-percent adjusted share’ means the number equal to the quotient obtained by dividing—

“(A) the number equal to the quotient obtained by dividing—

“(i) the 50-percent base share for the eligible county; by

“(ii) the income adjustment for the eligible county;

by

“(B) the number equal to the sum of the quotients obtained under subparagraph (A) and paragraph (1)(A) for all eligible counties.

“(9) 50-PERCENT BASE SHARE.—The term ‘50-percent base share’ means the number equal to the average of—

“(A) the quotient obtained by dividing—

“(i) the number of acres of Federal land described in paragraph (7)(B) in each eligible county; by

“(ii) the total number acres of Federal land in all eligible counties in all eligible States; and

“(B) the quotient obtained by dividing—

“(i) the amount equal to the average of the 3 highest 50-percent payments made to each eligible county during the eligibility period; by

“(ii) the amount equal to the sum of the amounts calculated under clause (i) and paragraph (2)(B)(i) for all eligible counties in all eligible States during the eligibility period.

“(10) 50-PERCENT PAYMENT.—The term ‘50-percent payment’ means the payment that is the sum of the 50-percent share otherwise paid to a county pursuant to title II of the Act of August 28, 1937 (chapter 876; 50 Stat. 875; 43 U.S.C. 1181f), and the payment made to a county pursuant to the Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43 U.S.C. 1181f-1 et seq.).

“(11) FULL FUNDING AMOUNT.—The term ‘full funding amount’ means—

“(A) \$500,000,000 for fiscal year 2008; and

“(B) for fiscal year 2009 and each fiscal year thereafter, the amount that is equal to 90 percent of the full funding amount for the preceding fiscal year.

“(12) INCOME ADJUSTMENT.—The term ‘income adjustment’ means the square of the quotient obtained by dividing—

“(A) the per capita personal income for each eligible county; by

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“(B) the median per capita personal income of all eligible counties.

“(13) PER CAPITA PERSONAL INCOME.—The term ‘per capita personal income’ means the most recent per capita personal income data, as determined by the Bureau of Economic Analysis.

“(14) SAFETY NET PAYMENTS.—The term ‘safety net payments’ means the special payment amounts paid to States and counties required by section 13982 or 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note).

“(15) SECRETARY CONCERNED.—The term ‘Secretary concerned’ means—

“(A) the Secretary of Agriculture or the designee of the Secretary of Agriculture with respect to the Federal land described in paragraph (7)(A); and

“(B) the Secretary of the Interior or the designee of the Secretary of the Interior with respect to the Federal land described in paragraph (7)(B).

“(16) STATE PAYMENT.—The term ‘State payment’ means the payment for an eligible State calculated under section 101(a).

“(17) 25-PERCENT PAYMENT.—The term ‘25-percent payment’ means the payment to States required by the sixth paragraph under the heading of ‘FOREST SERVICE’ in the Act of May 23, 1908 (35 Stat. 260; 16 U.S.C. 500), and section 13 of the Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500).

“TITLE I—SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LAND

“SEC. 101. SECURE PAYMENTS FOR STATES CONTAINING FEDERAL LAND.

“(a) STATE PAYMENT.—For each of fiscal years 2008 through 2011, the Secretary of Agriculture shall calculate for each eligible State an amount equal to the sum of the products obtained by multiplying—

“(1) the adjusted share for each eligible county within the eligible State; by

“(2) the full funding amount for the fiscal year.

“(b) COUNTY PAYMENT.—For each of fiscal years 2008 through 2011, the Secretary of the Interior shall calculate for each eligible county that received a 50-percent payment during the eligibility period an amount equal to the product obtained by multiplying—

“(1) the 50-percent adjusted share for the eligible county;

by

“(2) the full funding amount for the fiscal year.

“SEC. 102. PAYMENTS TO STATES AND COUNTIES.

“(a) PAYMENT AMOUNTS.—Except as provided in section 103, the Secretary of the Treasury shall pay to—

“(1) a State or territory of the United States an amount equal to the sum of the amounts elected under subsection

(b) by each county within the State or territory for—

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“(A) if the county is eligible for the 25-percent payment, the share of the 25-percent payment; or

“(B) the share of the State payment of the eligible county; and

“(2) a county an amount equal to the amount elected under subsection (b) by each county for—

“(A) if the county is eligible for the 50-percent payment, the 50-percent payment; or

“(B) the county payment for the eligible county.

“(b) ELECTION TO RECEIVE PAYMENT AMOUNT.—

“(1) ELECTION; SUBMISSION OF RESULTS.—

“(A) IN GENERAL.—The election to receive a share of the State payment, the county payment, a share of the State payment and the county payment, a share of the 25-percent payment, the 50-percent payment, or a share of the 25-percent payment and the 50-percent payment, as applicable, shall be made at the discretion of each affected county by August 1, 2008 (or as soon thereafter as the Secretary concerned determines is practicable), and August 1 of each second fiscal year thereafter, in accordance with paragraph (2), and transmitted to the Secretary concerned by the Governor of each eligible State.

“(B) FAILURE TO TRANSMIT.—If an election for an affected county is not transmitted to the Secretary concerned by the date specified under subparagraph (A), the affected county shall be considered to have elected to receive a share of the State payment, the county payment, or a share of the State payment and the county payment, as applicable.

“(2) DURATION OF ELECTION.—

“(A) IN GENERAL.—A county election to receive a share of the 25-percent payment or 50-percent payment, as applicable, shall be effective for 2 fiscal years.

“(B) FULL FUNDING AMOUNT.—If a county elects to receive a share of the State payment or the county payment, the election shall be effective for all subsequent fiscal years through fiscal year 2011.

“(3) SOURCE OF PAYMENT AMOUNTS.—The payment to an eligible State or eligible county under this section for a fiscal year shall be derived from—

“(A) any amounts that are appropriated to carry out this Act;

“(B) any revenues, fees, penalties, or miscellaneous receipts, exclusive of deposits to any relevant trust fund, special account, or permanent operating funds, received by the Federal Government from activities by the Bureau of Land Management or the Forest Service on the applicable Federal land; and

“(C) to the extent of any shortfall, out of any amounts in the Treasury of the United States not otherwise appropriated.

“(c) DISTRIBUTION AND EXPENDITURE OF PAYMENTS.—

“(1) DISTRIBUTION METHOD.—A State that receives a payment under subsection (a) for Federal land described in section 3(7)(A) shall distribute the appropriate payment amount among the appropriate counties in the State in accordance with—

“(A) the Act of May 23, 1908 (16 U.S.C. 500); and

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“(B) section 13 of the Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500).

“(2) EXPENDITURE PURPOSES.—Subject to subsection (d), payments received by a State under subsection (a) and distributed to counties in accordance with paragraph (1) shall be expended as required by the laws referred to in paragraph (1).

“(d) EXPENDITURE RULES FOR ELIGIBLE COUNTIES.—

“(1) ALLOCATIONS.—

“(A) USE OF PORTION IN SAME MANNER AS 25-PERCENT PAYMENT OR 50-PERCENT PAYMENT, AS APPLICABLE.—Except as provided in paragraph (3)(B), if an eligible county elects to receive its share of the State payment or the county payment, not less than 80 percent, but not more than 85 percent, of the funds shall be expended in the same manner in which the 25-percent payments or 50-percent payment, as applicable, are required to be expended.

“(B) ELECTION AS TO USE OF BALANCE.—Except as provided in subparagraph (C), an eligible county shall elect to do 1 or more of the following with the balance of any funds not expended pursuant to subparagraph (A):

“(i) Reserve any portion of the balance for projects in accordance with title II.

“(ii) Reserve not more than 7 percent of the total share for the eligible county of the State payment or the county payment for projects in accordance with title III.

“(iii) Return the portion of the balance not reserved under clauses (i) and (ii) to the Treasury of the United States.

“(C) COUNTIES WITH MODEST DISTRIBUTIONS.—In the case of each eligible county to which more than \$100,000, but less than \$350,000, is distributed for any fiscal year pursuant to either or both of paragraphs (1)(B) and (2)(B) of subsection (a), the eligible county, with respect to the balance of any funds not expended pursuant to subparagraph (A) for that fiscal year, shall—

“(i) reserve any portion of the balance for—

“(I) carrying out projects under title II;

“(II) carrying out projects under title III; or

“(III) a combination of the purposes described in subclauses (I) and (II); or

“(ii) return the portion of the balance not reserved under clause (i) to the Treasury of the United States.

“(2) DISTRIBUTION OF FUNDS.—

“(A) IN GENERAL.—Funds reserved by an eligible county under subparagraph (B)(i) or (C)(i) of paragraph (1) for carrying out projects under title II shall be deposited in a special account in the Treasury of the United States.

“(B) AVAILABILITY.—Amounts deposited under subparagraph (A) shall—

“(i) be available for expenditure by the Secretary concerned, without further appropriation; and

“(ii) remain available until expended in accordance with title II.

“(3) ELECTION.—

“(A) NOTIFICATION.—

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“(i) IN GENERAL.—An eligible county shall notify the Secretary concerned of an election by the eligible county under this subsection not later than September 30, 2008 (or as soon thereafter as the Secretary concerned determines is practicable), and each September 30 thereafter for each succeeding fiscal year.

“(ii) FAILURE TO ELECT.—Except as provided in subparagraph (B), if the eligible county fails to make an election by the date specified in clause (i), the eligible county shall—

“(I) be considered to have elected to expend 85 percent of the funds in accordance with paragraph (1)(A); and

“(II) return the balance to the Treasury of the United States.

“(B) COUNTIES WITH MINOR DISTRIBUTIONS.—In the case of each eligible county to which less than \$100,000 is distributed for any fiscal year pursuant to either or both of paragraphs (1)(B) and (2)(B) of subsection (a), the eligible county may elect to expend all the funds in the same manner in which the 25-percent payments or 50-percent payments, as applicable, are required to be expended.

“(e) TIME FOR PAYMENT.—The payments required under this section for a fiscal year shall be made as soon as practicable after the end of that fiscal year.

“SEC. 103. TRANSITION PAYMENTS TO STATES.

“(a) DEFINITIONS.—In this section:

“(1) ADJUSTED AMOUNT.—The term ‘adjusted amount’ means, with respect to a covered State—

“(A) for fiscal year 2008, 90 percent of—

“(i) the sum of the amounts paid for fiscal year 2006 under section 102(a)(2) (as in effect on September 29, 2006) for the eligible counties in the covered State that have elected under section 102(b) to receive a share of the State payment for fiscal year 2008; and

“(ii) the sum of the amounts paid for fiscal year 2006 under section 103(a)(2) (as in effect on September 29, 2006) for the eligible counties in the State of Oregon that have elected under section 102(b) to receive the county payment for fiscal year 2008;

“(B) for fiscal year 2009, 81 percent of—

“(i) the sum of the amounts paid for fiscal year 2006 under section 102(a)(2) (as in effect on September 29, 2006) for the eligible counties in the covered State that have elected under section 102(b) to receive a share of the State payment for fiscal year 2009; and

“(ii) the sum of the amounts paid for fiscal year 2006 under section 103(a)(2) (as in effect on September 29, 2006) for the eligible counties in the State of Oregon that have elected under section 102(b) to receive the county payment for fiscal year 2009; and

“(C) for fiscal year 2010, 73 percent of—

“(i) the sum of the amounts paid for fiscal year 2006 under section 102(a)(2) (as in effect on September 29, 2006) for the eligible counties in the covered State

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that have elected under section 102(b) to receive a share of the State payment for fiscal year 2010; and

“(ii) the sum of the amounts paid for fiscal year 2006 under section 103(a)(2) (as in effect on September 29, 2006) for the eligible counties in the State of Oregon that have elected under section 102(b) to receive the county payment for fiscal year 2010.

“(2) COVERED STATE.—The term ‘covered State’ means each of the States of California, Louisiana, Oregon, Pennsylvania, South Carolina, South Dakota, Texas, and Washington.

“(b) TRANSITION PAYMENTS.—For each of fiscal years 2008 through 2010, in lieu of the payment amounts that otherwise would have been made under paragraphs (1)(B) and (2)(B) of section 102(a), the Secretary of the Treasury shall pay the adjusted amount to each covered State and the eligible counties within the covered State, as applicable.

“(c) DISTRIBUTION OF ADJUSTED AMOUNT.—Except as provided in subsection (d), it is the intent of Congress that the method of distributing the payments under subsection (b) among the counties in the covered States for each of fiscal years 2008 through 2010 be in the same proportion that the payments were distributed to the eligible counties in fiscal year 2006.

“(d) DISTRIBUTION OF PAYMENTS IN CALIFORNIA.—The following payments shall be distributed among the eligible counties in the State of California in the same proportion that payments under section 102(a)(2) (as in effect on September 29, 2006) were distributed to the eligible counties for fiscal year 2006:

“(1) Payments to the State of California under subsection (b).

“(2) The shares of the eligible counties of the State payment for California under section 102 for fiscal year 2011.

“(e) TREATMENT OF PAYMENTS.—For purposes of this Act, any payment made under subsection (b) shall be considered to be a payment made under section 102(a).

“TITLE II—SPECIAL PROJECTS ON FEDERAL LAND

“SEC. 201. DEFINITIONS.

“In this title:

“(1) PARTICIPATING COUNTY.—The term ‘participating county’ means an eligible county that elects under section 102(d) to expend a portion of the Federal funds received under section 102 in accordance with this title.

“(2) PROJECT FUNDS.—The term ‘project funds’ means all funds an eligible county elects under section 102(d) to reserve for expenditure in accordance with this title.

“(3) RESOURCE ADVISORY COMMITTEE.—The term ‘resource advisory committee’ means—

“(A) an advisory committee established by the Secretary concerned under section 205; or

“(B) an advisory committee determined by the Secretary concerned to meet the requirements of section 205.

“(4) RESOURCE MANAGEMENT PLAN.—The term ‘resource management plan’ means—

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“(A) a land use plan prepared by the Bureau of Land Management for units of the Federal land described in section 3(7)(B) pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712); or
“(B) a land and resource management plan prepared by the Forest Service for units of the National Forest System pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

“SEC. 202. GENERAL LIMITATION ON USE OF PROJECT FUNDS.

“(a) LIMITATION.—Project funds shall be expended solely on projects that meet the requirements of this title.

“(b) AUTHORIZED USES.—Project funds may be used by the Secretary concerned for the purpose of entering into and implementing cooperative agreements with willing Federal agencies, State and local governments, private and nonprofit entities, and landowners for protection, restoration, and enhancement of fish and wildlife habitat, and other resource objectives consistent with the purposes of this Act on Federal land and on non-Federal land where projects would benefit the resources on Federal land.

“SEC. 203. SUBMISSION OF PROJECT PROPOSALS.

“(a) SUBMISSION OF PROJECT PROPOSALS TO SECRETARY CONCERNED.—

“(1) PROJECTS FUNDED USING PROJECT FUNDS.—Not later than September 30 for fiscal year 2008 (or as soon thereafter as the Secretary concerned determines is practicable), and each September 30 thereafter for each succeeding fiscal year through fiscal year 2011, each resource advisory committee shall submit to the Secretary concerned a description of any projects that the resource advisory committee proposes the Secretary undertake using any project funds reserved by eligible counties in the area in which the resource advisory committee has geographic jurisdiction.

“(2) PROJECTS FUNDED USING OTHER FUNDS.—A resource advisory committee may submit to the Secretary concerned a description of any projects that the committee proposes the Secretary undertake using funds from State or local governments, or from the private sector, other than project funds and funds appropriated and otherwise available to do similar work.

“(3) JOINT PROJECTS.—Participating counties or other persons may propose to pool project funds or other funds, described in paragraph (2), and jointly propose a project or group of projects to a resource advisory committee established under section 205.

“(b) REQUIRED DESCRIPTION OF PROJECTS.—In submitting proposed projects to the Secretary concerned under subsection (a), a resource advisory committee shall include in the description of each proposed project the following information:

“(1) The purpose of the project and a description of how the project will meet the purposes of this title.

“(2) The anticipated duration of the project.

“(3) The anticipated cost of the project.

“(4) The proposed source of funding for the project, whether project funds or other funds.

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“(5)(A) Expected outcomes, including how the project will meet or exceed desired ecological conditions, maintenance objectives, or stewardship objectives.

“(B) An estimate of the amount of any timber, forage, and other commodities and other economic activity, including jobs generated, if any, anticipated as part of the project.

“(6) A detailed monitoring plan, including funding needs and sources, that—

“(A) tracks and identifies the positive or negative impacts of the project, implementation, and provides for validation monitoring; and

“(B) includes an assessment of the following:

“(i) Whether or not the project met or exceeded desired ecological conditions; created local employment or training opportunities, including summer youth jobs programs such as the Youth Conservation Corps where appropriate.

“(ii) Whether the project improved the use of, or added value to, any products removed from land consistent with the purposes of this title.

“(7) An assessment that the project is to be in the public interest.

“(c) **AUTHORIZED PROJECTS.**—Projects proposed under subsection (a) shall be consistent with section 2.

“SEC. 204. EVALUATION AND APPROVAL OF PROJECTS BY SECRETARY CONCERNED.

“(a) **CONDITIONS FOR APPROVAL OF PROPOSED PROJECT.**—The Secretary concerned may make a decision to approve a project submitted by a resource advisory committee under section 203 only if the proposed project satisfies each of the following conditions:

“(1) The project complies with all applicable Federal laws (including regulations).

“(2) The project is consistent with the applicable resource management plan and with any watershed or subsequent plan developed pursuant to the resource management plan and approved by the Secretary concerned.

“(3) The project has been approved by the resource advisory committee in accordance with section 205, including the procedures issued under subsection (e) of that section.

“(4) A project description has been submitted by the resource advisory committee to the Secretary concerned in accordance with section 203.

“(5) The project will improve the maintenance of existing infrastructure, implement stewardship objectives that enhance forest ecosystems, and restore and improve land health and water quality.

“(b) **ENVIRONMENTAL REVIEWS.**—

“(1) **REQUEST FOR PAYMENT BY COUNTY.**—The Secretary concerned may request the resource advisory committee submitting a proposed project to agree to the use of project funds to pay for any environmental review, consultation, or compliance with applicable environmental laws required in connection with the project.

“(2) **CONDUCT OF ENVIRONMENTAL REVIEW.**—If a payment is requested under paragraph (1) and the resource advisory committee agrees to the expenditure of funds for this purpose,

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the Secretary concerned shall conduct environmental review, consultation, or other compliance responsibilities in accordance with Federal laws (including regulations).

"(3) EFFECT OF REFUSAL TO PAY.—

"(A) IN GENERAL.—If a resource advisory committee does not agree to the expenditure of funds under paragraph (1), the project shall be deemed withdrawn from further consideration by the Secretary concerned pursuant to this title.

"(B) EFFECT OF WITHDRAWAL.—A withdrawal under subparagraph (A) shall be deemed to be a rejection of the project for purposes of section 207(c).

"(c) DECISIONS OF SECRETARY CONCERNED.—

"(1) REJECTION OF PROJECTS.—

"(A) IN GENERAL.—A decision by the Secretary concerned to reject a proposed project shall be at the sole discretion of the Secretary concerned.

"(B) NO ADMINISTRATIVE APPEAL OR JUDICIAL REVIEW.—Notwithstanding any other provision of law, a decision by the Secretary concerned to reject a proposed project shall not be subject to administrative appeal or judicial review.

"(C) NOTICE OF REJECTION.—Not later than 30 days after the date on which the Secretary concerned makes the rejection decision, the Secretary concerned shall notify in writing the resource advisory committee that submitted the proposed project of the rejection and the reasons for rejection.

"(2) NOTICE OF PROJECT APPROVAL.—The Secretary concerned shall publish in the Federal Register notice of each project approved under subsection (a) if the notice would be required had the project originated with the Secretary.

"(d) SOURCE AND CONDUCT OF PROJECT.—Once the Secretary concerned accepts a project for review under section 203, the acceptance shall be deemed a Federal action for all purposes.

"(e) IMPLEMENTATION OF APPROVED PROJECTS.—

"(1) COOPERATION.—Notwithstanding chapter 63 of title 31, United States Code, using project funds the Secretary concerned may enter into contracts, grants, and cooperative agreements with States and local governments, private and nonprofit entities, and landowners and other persons to assist the Secretary in carrying out an approved project.

"(2) BEST VALUE CONTRACTING.—

"(A) IN GENERAL.—For any project involving a contract authorized by paragraph (1) the Secretary concerned may elect a source for performance of the contract on a best value basis.

"(B) FACTORS.—The Secretary concerned shall determine best value based on such factors as—

"(i) the technical demands and complexity of the work to be done;

"(ii)(I) the ecological objectives of the project; and

"(II) the sensitivity of the resources being treated;

"(iii) the past experience by the contractor with the type of work being done, using the type of equipment proposed for the project, and meeting or exceeding desired ecological conditions; and

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“(iv) the commitment of the contractor to hiring highly qualified workers and local residents.

“(3) MERCHANTABLE TIMBER CONTRACTING PILOT PROGRAM.—

“(A) ESTABLISHMENT.—The Secretary concerned shall establish a pilot program to implement a certain percentage of approved projects involving the sale of merchantable timber using separate contracts for—

“(i) the harvesting or collection of merchantable timber; and

“(ii) the sale of the timber.

“(B) ANNUAL PERCENTAGES.—Under the pilot program, the Secretary concerned shall ensure that, on a nationwide basis, not less than the following percentage of all approved projects involving the sale of merchantable timber are implemented using separate contracts:

“(i) For fiscal year 2008, 35 percent.

“(ii) For fiscal year 2009, 45 percent.

“(iii) For each of fiscal years 2010 and 2011, 50 percent.

“(C) INCLUSION IN PILOT PROGRAM.—The decision whether to use separate contracts to implement a project involving the sale of merchantable timber shall be made by the Secretary concerned after the approval of the project under this title.

“(D) ASSISTANCE.—

“(i) IN GENERAL.—The Secretary concerned may use funds from any appropriated account available to the Secretary for the Federal land to assist in the administration of projects conducted under the pilot program.

“(ii) MAXIMUM AMOUNT OF ASSISTANCE.—The total amount obligated under this subparagraph may not exceed \$1,000,000 for any fiscal year during which the pilot program is in effect.

“(E) REVIEW AND REPORT.—

“(i) INITIAL REPORT.—Not later than September 30, 2010, the Comptroller General shall submit to the Committees on Agriculture, Nutrition, and Forestry and Energy and Natural Resources of the Senate and the Committees on Agriculture and Natural Resources of the House of Representatives a report assessing the pilot program.

“(ii) ANNUAL REPORT.—The Secretary concerned shall submit to the Committees on Agriculture, Nutrition, and Forestry and Energy and Natural Resources of the Senate and the Committees on Agriculture and Natural Resources of the House of Representatives an annual report describing the results of the pilot program.

“(f) REQUIREMENTS FOR PROJECT FUNDS.—The Secretary shall ensure that at least 50 percent of all project funds be used for projects that are primarily dedicated—

“(1) to road maintenance, decommissioning, or obliteration;

or

“(2) to restoration of streams and watersheds.

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"SEC. 205. RESOURCE ADVISORY COMMITTEES.

"(a) ESTABLISHMENT AND PURPOSE OF RESOURCE ADVISORY COMMITTEES.—

"(1) ESTABLISHMENT.—The Secretary concerned shall establish and maintain resource advisory committees to perform the duties in subsection (b), except as provided in paragraph (4).

"(2) PURPOSE.—The purpose of a resource advisory committee shall be—

"(A) to improve collaborative relationships; and

"(B) to provide advice and recommendations to the land management agencies consistent with the purposes of this title.

"(3) ACCESS TO RESOURCE ADVISORY COMMITTEES.—To ensure that each unit of Federal land has access to a resource advisory committee, and that there is sufficient interest in participation on a committee to ensure that membership can be balanced in terms of the points of view represented and the functions to be performed, the Secretary concerned may, establish resource advisory committees for part of, or 1 or more, units of Federal land.

"(4) EXISTING ADVISORY COMMITTEES.—

"(A) IN GENERAL.—An advisory committee that meets the requirements of this section, a resource advisory committee established before September 29, 2006, or an advisory committee determined by the Secretary concerned before September 29, 2006, to meet the requirements of this section may be deemed by the Secretary concerned to be a resource advisory committee for the purposes of this title.

"(B) CHARTER.—A charter for a committee described in subparagraph (A) that was filed on or before September 29, 2006, shall be considered to be filed for purposes of this Act.

"(C) BUREAU OF LAND MANAGEMENT ADVISORY COMMITTEES.—The Secretary of the Interior may deem a resource advisory committee meeting the requirements of subpart 1784 of part 1780 of title 43, Code of Federal Regulations, as a resource advisory committee for the purposes of this title.

"(b) DUTIES.—A resource advisory committee shall—

"(1) review projects proposed under this title by participating counties and other persons;

"(2) propose projects and funding to the Secretary concerned under section 203;

"(3) provide early and continuous coordination with appropriate land management agency officials in recommending projects consistent with purposes of this Act under this title;

"(4) provide frequent opportunities for citizens, organizations, tribes, land management agencies, and other interested parties to participate openly and meaningfully, beginning at the early stages of the project development process under this title;

"(5)(A) monitor projects that have been approved under section 204; and

"(B) advise the designated Federal official on the progress of the monitoring efforts under subparagraph (A); and

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"(6) make recommendations to the Secretary concerned for any appropriate changes or adjustments to the projects being monitored by the resource advisory committee.

"(c) APPOINTMENT BY THE SECRETARY.—

"(1) APPOINTMENT AND TERM.—

"(A) IN GENERAL.—The Secretary concerned, shall appoint the members of resource advisory committees for a term of 4 years beginning on the date of appointment.

"(B) REAPPOINTMENT.—The Secretary concerned may reappoint members to subsequent 4-year terms.

"(2) BASIC REQUIREMENTS.—The Secretary concerned shall ensure that each resource advisory committee established meets the requirements of subsection (d).

"(3) INITIAL APPOINTMENT.—Not later than 180 days after the date of the enactment of this Act, the Secretary concerned shall make initial appointments to the resource advisory committees.

"(4) VACANCIES.—The Secretary concerned shall make appointments to fill vacancies on any resource advisory committee as soon as practicable after the vacancy has occurred.

"(5) COMPENSATION.—Members of the resource advisory committees shall not receive any compensation.

"(d) COMPOSITION OF ADVISORY COMMITTEE.—

"(1) NUMBER.—Each resource advisory committee shall be comprised of 15 members.

"(2) COMMUNITY INTERESTS REPRESENTED.—Committee members shall be representative of the interests of the following 3 categories:

"(A) 5 persons that—

"(i) represent organized labor or non-timber forest product harvester groups;

"(ii) represent developed outdoor recreation, off highway vehicle users, or commercial recreation activities;

"(iii) represent—

"(I) energy and mineral development interests;

or

"(II) commercial or recreational fishing interests;

"(iv) represent the commercial timber industry; or

"(v) hold Federal grazing or other land use permits, or represent nonindustrial private forest land owners, within the area for which the committee is organized.

"(B) 5 persons that represent—

"(i) nationally recognized environmental organizations;

"(ii) regionally or locally recognized environmental organizations;

"(iii) dispersed recreational activities;

"(iv) archaeological and historical interests; or

"(v) nationally or regionally recognized wild horse and burro interest groups, wildlife or hunting organizations, or watershed associations.

"(C) 5 persons that—

"(i) hold State elected office (or a designee);

"(ii) hold county or local elected office;

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"(iii) represent American Indian tribes within or adjacent to the area for which the committee is organized;

"(iv) are school officials or teachers; or

"(v) represent the affected public at large.

"(3) **BALANCED REPRESENTATION.**—In appointing committee members from the 3 categories in paragraph (2), the Secretary concerned shall provide for balanced and broad representation from within each category.

"(4) **GEOGRAPHIC DISTRIBUTION.**—The members of a resource advisory committee shall reside within the State in which the committee has jurisdiction and, to extent practicable, the Secretary concerned shall ensure local representation in each category in paragraph (2).

"(5) **CHAIRPERSON.**—A majority on each resource advisory committee shall select the chairperson of the committee.

"(e) **APPROVAL PROCEDURES.**—

"(1) **IN GENERAL.**—Subject to paragraph (3), each resource advisory committee shall establish procedures for proposing projects to the Secretary concerned under this title.

"(2) **QUORUM.**—A quorum must be present to constitute an official meeting of the committee.

"(3) **APPROVAL BY MAJORITY OF MEMBERS.**—A project may be proposed by a resource advisory committee to the Secretary concerned under section 203(a), if the project has been approved by a majority of members of the committee from each of the 3 categories in subsection (d)(2).

"(f) **OTHER COMMITTEE AUTHORITIES AND REQUIREMENTS.**—

"(1) **STAFF ASSISTANCE.**—A resource advisory committee may submit to the Secretary concerned a request for periodic staff assistance from Federal employees under the jurisdiction of the Secretary.

"(2) **MEETINGS.**—All meetings of a resource advisory committee shall be announced at least 1 week in advance in a local newspaper of record and shall be open to the public.

"(3) **RECORDS.**—A resource advisory committee shall maintain records of the meetings of the committee and make the records available for public inspection.

"SEC. 206. USE OF PROJECT FUNDS.

"(a) **AGREEMENT REGARDING SCHEDULE AND COST OF PROJECT.**—

"(1) **AGREEMENT BETWEEN PARTIES.**—The Secretary concerned may carry out a project submitted by a resource advisory committee under section 203(a) using project funds or other funds described in section 203(a)(2), if, as soon as practicable after the issuance of a decision document for the project and the exhaustion of all administrative appeals and judicial review of the project decision, the Secretary concerned and the resource advisory committee enter into an agreement addressing, at a minimum, the following:

"(A) The schedule for completing the project.

"(B) The total cost of the project, including the level of agency overhead to be assessed against the project.

"(C) For a multiyear project, the estimated cost of the project for each of the fiscal years in which it will be carried out.

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“(D) The remedies for failure of the Secretary concerned to comply with the terms of the agreement consistent with current Federal law.

“(2) LIMITED USE OF FEDERAL FUNDS.—The Secretary concerned may decide, at the sole discretion of the Secretary concerned, to cover the costs of a portion of an approved project using Federal funds appropriated or otherwise available to the Secretary for the same purposes as the project.

“(b) TRANSFER OF PROJECT FUNDS.—

“(1) INITIAL TRANSFER REQUIRED.—As soon as practicable after the agreement is reached under subsection (a) with regard to a project to be funded in whole or in part using project funds, or other funds described in section 203(a)(2), the Secretary concerned shall transfer to the applicable unit of National Forest System land or Bureau of Land Management District an amount of project funds equal to—

“(A) in the case of a project to be completed in a single fiscal year, the total amount specified in the agreement to be paid using project funds, or other funds described in section 203(a)(2); or

“(B) in the case of a multiyear project, the amount specified in the agreement to be paid using project funds, or other funds described in section 203(a)(2) for the first fiscal year.

“(2) CONDITION ON PROJECT COMMENCEMENT.—The unit of National Forest System land or Bureau of Land Management District concerned, shall not commence a project until the project funds, or other funds described in section 203(a)(2) required to be transferred under paragraph (1) for the project, have been made available by the Secretary concerned.

“(3) SUBSEQUENT TRANSFERS FOR MULTIYEAR PROJECTS.—

“(A) IN GENERAL.—For the second and subsequent fiscal years of a multiyear project to be funded in whole or in part using project funds, the unit of National Forest System land or Bureau of Land Management District concerned shall use the amount of project funds required to continue the project in that fiscal year according to the agreement entered into under subsection (a).

“(B) SUSPENSION OF WORK.—The Secretary concerned shall suspend work on the project if the project funds required by the agreement in the second and subsequent fiscal years are not available.

“SEC. 207. AVAILABILITY OF PROJECT FUNDS.

“(a) SUBMISSION OF PROPOSED PROJECTS TO OBLIGATE FUNDS.—By September 30, 2008 (or as soon thereafter as the Secretary concerned determines is practicable), and each September 30 thereafter for each succeeding fiscal year through fiscal year 2011, a resource advisory committee shall submit to the Secretary concerned pursuant to section 203(a)(1) a sufficient number of project proposals that, if approved, would result in the obligation of at least the full amount of the project funds reserved by the participating county in the preceding fiscal year.

“(b) USE OR TRANSFER OF UNOBLIGATED FUNDS.—Subject to section 208, if a resource advisory committee fails to comply with subsection (a) for a fiscal year, any project funds reserved by the participating county in the preceding fiscal year and remaining

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unobligated shall be available for use as part of the project submissions in the next fiscal year.

“(c) EFFECT OF REJECTION OF PROJECTS.—Subject to section 208, any project funds reserved by a participating county in the preceding fiscal year that are unobligated at the end of a fiscal year because the Secretary concerned has rejected one or more proposed projects shall be available for use as part of the project submissions in the next fiscal year.

“(d) EFFECT OF COURT ORDERS.—

“(1) IN GENERAL.—If an approved project under this Act is enjoined or prohibited by a Federal court, the Secretary concerned shall return the unobligated project funds related to the project to the participating county or counties that reserved the funds.

“(2) EXPENDITURE OF FUNDS.—The returned funds shall be available for the county to expend in the same manner as the funds reserved by the county under subparagraph (B) or (C)(i) of section 102(d)(1).

“SEC. 208. TERMINATION OF AUTHORITY.

“(a) IN GENERAL.—The authority to initiate projects under this title shall terminate on September 30, 2011.

“(b) DEPOSITS IN TREASURY.—Any project funds not obligated by September 30, 2012, shall be deposited in the Treasury of the United States.

“TITLE III—COUNTY FUNDS

“SEC. 301. DEFINITIONS.

“In this title:

“(1) COUNTY FUNDS.—The term ‘county funds’ means all funds an eligible county elects under section 102(d) to reserve for expenditure in accordance with this title.

“(2) PARTICIPATING COUNTY.—The term ‘participating county’ means an eligible county that elects under section 102(d) to expend a portion of the Federal funds received under section 102 in accordance with this title.

“SEC. 302. USE.

“(a) AUTHORIZED USES.—A participating county, including any applicable agencies of the participating county, shall use county funds, in accordance with this title, only—

“(1) to carry out activities under the Firewise Communities program to provide to homeowners in fire-sensitive ecosystems education on, and assistance with implementing, techniques in home siting, home construction, and home landscaping that can increase the protection of people and property from wildfires;

“(2) to reimburse the participating county for search and rescue and other emergency services, including firefighting, that are—

“(A) performed on Federal land after the date on which the use was approved under subsection (b);

“(B) paid for by the participating county; and

“(3) to develop community wildfire protection plans in coordination with the appropriate Secretary concerned.

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“(b) PROPOSALS.—A participating county shall use county funds for a use described in subsection (a) only after a 45-day public comment period, at the beginning of which the participating county shall—

“(1) publish in any publications of local record a proposal that describes the proposed use of the county funds; and

“(2) submit the proposal to any resource advisory committee established under section 205 for the participating county.

“SEC. 303. CERTIFICATION.

“(a) IN GENERAL.—Not later than February 1 of the year after the year in which any county funds were expended by a participating county, the appropriate official of the participating county shall submit to the Secretary concerned a certification that the county funds expended in the applicable year have been used for the uses authorized under section 302(a), including a description of the amounts expended and the uses for which the amounts were expended.

“(b) REVIEW.—The Secretary concerned shall review the certifications submitted under subsection (a) as the Secretary concerned determines to be appropriate.

“SEC. 304. TERMINATION OF AUTHORITY.

“(a) IN GENERAL.—The authority to initiate projects under this title terminates on September 30, 2011.

“(b) AVAILABILITY.—Any county funds not obligated by September 30, 2012, shall be returned to the Treasury of the United States.

“TITLE IV—MISCELLANEOUS PROVISIONS

“SEC. 401. REGULATIONS.

“The Secretary of Agriculture and the Secretary of the Interior shall issue regulations to carry out the purposes of this Act.

“SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated such sums as are necessary to carry out this Act for each of fiscal years 2008 through 2011.

“SEC. 403. TREATMENT OF FUNDS AND REVENUES.

“(a) RELATION TO OTHER APPROPRIATIONS.—Funds made available under section 402 and funds made available to a Secretary concerned under section 206 shall be in addition to any other annual appropriations for the Forest Service and the Bureau of Land Management.

“(b) DEPOSIT OF REVENUES AND OTHER FUNDS.—All revenues generated from projects pursuant to title II, including any interest accrued from the revenues, shall be deposited in the Treasury of the United States.”

(b) FOREST RECEIPT PAYMENTS TO ELIGIBLE STATES AND COUNTIES.—

(1) ACT OF MAY 23, 1908.—The sixth paragraph under the heading “FOREST SERVICE” in the Act of May 23, 1908 (16 U.S.C. 500) is amended in the first sentence by striking “twenty-five per centum” and all that follows through “shall

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be paid" and inserting the following: "an amount equal to the annual average of 25 percent of all amounts received for the applicable fiscal year and each of the preceding 6 fiscal years from each national forest shall be paid".

(2) WEEKS LAW.—Section 13 of the Act of March 1, 1911 (commonly known as the "Weeks Law") (16 U.S.C. 500) is amended in the first sentence by striking "twenty-five percentum" and all that follows through "shall be paid" and inserting the following: "an amount equal to the annual average of 25 percent of all amounts received for the applicable fiscal year and each of the preceding 6 fiscal years from each national forest shall be paid".

(c) PAYMENTS IN LIEU OF TAXES.—

(1) IN GENERAL.—Section 6906 of title 31, United States Code, is amended to read as follows:

"§ 6906. Funding

"For each of fiscal years 2008 through 2012—

"(1) each county or other eligible unit of local government shall be entitled to payment under this chapter; and

"(2) sums shall be made available to the Secretary of the Interior for obligation or expenditure in accordance with this chapter."

(2) CONFORMING AMENDMENT.—The table of sections for chapter 69 of title 31, United States Code, is amended by striking the item relating to section 6906 and inserting the following:

"6906. Funding."

(3) BUDGET SCOREKEEPING.—

(A) IN GENERAL.—Notwithstanding the Budget Scorekeeping Guidelines and the accompanying list of programs and accounts set forth in the joint explanatory statement of the committee of conference accompanying Conference Report 105-217, the section in this title regarding Payments in Lieu of Taxes shall be treated in the baseline for purposes of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002), and by the Chairmen of the House and Senate Budget Committees, as appropriate, for purposes of budget enforcement in the House and Senate, and under the Congressional Budget Act of 1974 as if Payment in Lieu of Taxes (14-1114-0-1-806) were an account designated as Appropriated Entitlements and Mandatories for Fiscal Year 1997 in the joint explanatory statement of the committee of conference accompanying Conference Report 105-217.

(B) EFFECTIVE DATE.—This paragraph shall remain in effect for the fiscal years to which the entitlement in section 6906 of title 31, United States Code (as amended by paragraph (1)), applies.

