

## **OPINION**

## Shasta County needs help from federal government for essential services

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The coronavirus pandemic has hit Shasta County's economy and disrupted our daily lives. We see every day that many business owners have either gone-out-of-business or nearing financial ruin. At the same time, local healthcare providers working diligently to save our loved ones.

Shasta County government is responsible for providing a social safety net as well as delivering public health services. Unfortunately, without predictable monies from the federal government, Shasta County will also struggle for months and years to come. According to projections from the National Association of Counties, local governments will see \$144 billion in budget deficits through FY 2021.

Public lands counties, including Shasta, are in an even more difficult position than most. Counties cannot collect property taxes from federal public lands, such as the Shasta-Trinity National Forest and Shasta Lake.

This further hinders our ability to meet our obligations to deliver needed services to our residents. It is imperative for Congress to provide direct relief to counties in the next coronavirus stimulus package, especially public lands counties. Congress can do this by enacting legislation pertaining to the Secure Rural Schools (SRS) program and the Payments In-Lieu of Taxes (PILT) program.

SRS provides federal payments to national forest counties and schools that experienced reductions in timber harvesting receipts caused by the dramatic decrease from the National Forest System over the past 30 years. Shasta County received nearly \$1.5 million in SRS payments in 2019.

These crucial funds allow the county government to maintain county roads (in order for the county general fund not to) as well as provide assistance to area schools. However, Congress has only guaranteed one more year of SRS payments, leaving county leaders wondering how to fill this hole in the budget.

Fortunately, there is a long-term solution in the U.S. Senate to protect SRS: The Forest Management for Rural Stability Act. If passed by Congress, it would create a permanent endowment fund where interest collected on the initial \$8 billion investment would make SRS payments directly to counties and schools in perpetuity.



Additionally, it makes important reforms to ensure an increase in timber harvests from our national forests and invests those revenues back into the endowment to increase the payment amounts to counties. This would provide the support our county needs to maintain our local infrastructure and educate kids.

Additionally, for over 40 years, the PILT program has provided direct funding to counties like Shasta County to offset revenues from the presence of untaxable federal land. In 2019, Shasta County received nearly \$2 million to help provide the services we count on for Shasta County residents.

Congress fully funded PILT in recent years, but unless there is a long-term solution, PILT could face drastic cuts. Bipartisan legislation designed to solve this dilemma during the next round of stimulus funding already exists.

In the U.S. House of Representatives, H.R. 3043, the Permanently Authorizing PILT Act would make PILT a permanent, fully funded program moving forward. This would protect county revenues from cuts in the unpredictable congressional appropriations cycle.

As Congress and the Trump Administration debate the next round of stimulus funding in response to the coronavirus pandemic, it is essential that PILT and SRS receive permanent funding. Residents of all counties that have a large presence of federal ownership like Shasta are counting on Congress to make this a priority.

Les Baugh represents District 5 on the Shasta County Board of Supervisors.

Source: <a href="https://www.redding.com/story/opinion/2020/04/24/shasta-county-needs-help-essential-services/3021987001/">https://www.redding.com/story/opinion/2020/04/24/shasta-county-needs-help-essential-services/3021987001/</a>