

SENATE EDUCATION

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# Fate of county budget in congressional hands

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A bill introduced last week in Congress could save Lincoln County government from financial devastation and area residents from major tax increases.

Introduced by Oregon Reps. Peter DeFazio and Greg Walden and co-sponsored by Montana Rep. Denny Rehberg, the bill would reauthorize the recently expired Secure Rural Schools and Community Self-Determination Act of 2000. The act provided subsidies for roads and schools in counties containing national forest land.

Previously, counties had received a 25 percent share of forest receipts, mostly from timber harvest. With the

decline in logging on national forests, that share was shrinking. The 2000 law – enacted with a six-year lifespan – set annual payments at an average of the three highest years of the previous decade.

For Lincoln County, that amounted to more than \$5.8 million per year, with 15 percent taken off the top for special forest-related projects mandated by the new law and the remainder divided under a Montana statute allocating two-thirds to roads and one-third to schools.

Congress seemed poised last fall to act on a one-year reauthorization of the law, but that proposal failed to make it out of committee before the

See **Budget** on Page 12

Continued from Page 1

end of the session. The new bill would reauthorize the law for seven years. If it doesn't pass, there will be a dramatic effect on county services and taxes, said Lincoln County Commissioner John Konzen.

"It's a grave concern for me, and I think it should be for everybody in this county," Konzen said.

The county received about \$3.3 million per year for roads under the expired law. Last year's road budget was just under \$3 million. If the law

isn't reauthorized, payments will revert to the 25 percent formula and the county could expect to receive less than \$1 million to fund its road department.

That would mean major cuts in not only the road department but in other departments as well – "services that people are accustomed to having," said Commissioner Rita Windom.

The possibility of that revenue being lost has also led the commissioners to look into potential new taxes like a fuel tax or a local sales tax, Windom

said. And while the majority of the schools' share goes into the state equalization fund, about \$500,000 stays with Lincoln County school districts to fund transportation and retirement funds, Windom pointed out.

"The moment we don't give them that money, that's a permissive levy," she said.

Montana's congressional delegation has been supportive of attempts to reauthorize the law, Konzen said, as have other Western representatives.

"The problem is getting over the Eastern Bloc," he said.