

CONCLUSION AND RECOMMENDATIONS

Introduction

This study of the Secure Rural Schools and Community Self-Determination Act (P.L. 106-393) focused on Titles II and III. A total of 16 case studies were conducted in nine states. They include an analysis of the functioning of 15 Resource Advisory Committees (RAC) and the projects they have funded (Pennsylvania did not have a RAC) as well as Title III projects in associated county areas. Case studies are based on the first three or four years of the legislation; the exact time frames differ because analyses were conducted over an 18-month period. The Mississippi case study reviewed Title III expenditures for the whole state as well as the formation and functioning of the state's only RAC, the Southwest Mississippi RAC. A sub-study of all California Title III expenditures for the first three years was undertaken to supplement case studies and to track patterns across a large state with diverse counties. The study also includes a review of the procedures the BLM and Forest Service have adopted to cover administrative overhead costs incurred in working with RACs, an issue that has generated increasing frustration among some RACs.

The conclusions and numbered recommendations that follow are based on these studies informed by findings from a historical analysis of the formulation and passage of the bill and analyses of the institutional processes and entities that determined and administered Title II and III allocations. The legislative analysis gives insights into the process that led to the crafting of the legislation in its final form and clarifies the intentions and objectives of the framers. In more than a few places, this has cast important light on legislative intent where the language of the bill is unclear or when subsequent debate and interpretation have muddied issues, and has helped us sharpen questions and interpret our findings.

This study of the Secure Rural Schools and Community Self-Determination Act yielded powerful findings about how well the legislation has met the intent of its framers and reveals some of the problems encountered in its implementation to date. Perhaps most importantly, this study shows how successful the legislation has been in developing collaborative relationships among RAC members, and between RACs, and the counties and the federal agencies. It also reveals how these relationships have helped to shape projects that are now improving forest and watershed health on federal lands and enriching education and services associated with the counties' natural resource endowments.

Comprehensiveness of the Study

Of the 16 case studies, 15 were in the eight states receiving the highest total payments allocated to Titles I, II, and III of the act, and Pennsylvania was ranked number 10. Cases were examined in the seven states where counties¹ have allocated the highest totals in dollar terms to Title II; Mississippi was ranked 10th and Pennsylvania had no Title II dollars. A total of 99% of all Title II dollars and 86% of Title III dollars were expended in the states in which case studies were conducted. The 16 case studies themselves include 36.2% of all Title II and 21.2% of all Title III allocations in the first four years of the program. The 21.2% total does not include project dollars tabulated as part of the California Title III analysis, which consists only of a classification of project categories and a determination of whether funds were allocated administratively or awarded as project funding. There was no analysis of individual projects or

¹ As used in this section of the report, the term "counties" should be read to include those cities and boroughs in Alaska that have chosen to participate in the P.L. 106-393 program.

interviews with individuals familiar with them. The 16 case studies do, however, include three full case studies of county-based RACs in California.

Funding Decisions

Nationwide, a total of 85% of all counties eligible to opt into the secure payment program have done so. The decision to opt into Title I of the Secure Rural School and Community Self-Determination Act was an easy one for most counties. Title I payments guarantee counties a stable source of revenue to provide the basic services of road maintenance and education for their citizens. The high proportion of counties that opted into the program is an indication of the difficulties forest-dependent communities face in providing these services drawing on a tax base that is constrained sometimes by poverty, always by the tax-exempt status of the public lands within their boundaries, and most recently by declining revenues due to reduced timber harvests. Difficulties counties face in serving their own citizens are compounded by increased settlement adjacent to wildlands and by their obligation to provide further services such as search and rescue and to assist with fire prevention on public lands within the county boundaries. Secure payments under P.L. 106-393 have been an essential source of revenue allowing counties to meet these obligations. Those counties that chose to continue to receive receipt payments, mostly Midwestern counties, did so because revenues were based on resources other than timber (e.g., minerals), or they were confident that harvest levels and revenues would continue to exceed the historic three-year high average on which P.L. 106-393 payments are based.

In the aggregate, counties nationwide have allocated half of all available P.L. 106-393 funds to Title II and half to Title III. There has been a slight increase in Title II allocations since the first year of the program.

Counties participating in BLM- and Forest Service-administered RACs allocated more to Title III during the first year of the act's implementation, during which RACS were either not yet functional or just getting started. Since then, counties have allocated slightly more to Title II, resulting in the aggregate four-year 50-50 split of dollars between Titles II and III. In the case studies, which focused on counties participating in RACs, the balance of funding allocations was, inevitably, more in favor of allocations to Title II, with a small but noticeable further shift of funds between 2002 and the present towards Title II. This finding suggests that as counties become familiar with the process of public consultation and dialogue that characterizes the RACs, there is greater interest in fostering it with the allocation of further funds.

The legislation has played out differently across the country.

Varying experiences with collaboration and differences in intensity and duration of natural resource conflicts influence counties' willingness to consider supporting Title II. Mississippi and Pennsylvania have either not experienced a long period of environmental conflict or are at an early stage of confrontation—which is not to say they lack intensity or emotion—in which protagonists are focused on staking out and defending their positions, not on identifying the grounds of potential agreement. In some areas, local coalitions are forming out of concerns that timber corporations are selling off large landholdings to developers to build vacation homes and other amenity-based developments. In other areas, some interest groups

view P.L. 106-393 as a stopgap measure, providing a stable source of revenue until the timber industry can get back to work as it was 20 years ago.

Title II

Collaboration and RAC Functioning

The most dramatic achievement of P.L. 106-393 is the impressive collaboration developed among RAC members while approving a total of \$154.4 million dollars nationally to fund a wide range of projects benefiting public lands and forest dependent-communities.

As the first legislation to require multi-stakeholder collaboration to fund resource management projects, few would have predicted the degree of success RACs have enjoyed in fostering successful collaboration among the different interest groups concerned with the future of public forestlands. Initially, there was trepidation among environmentalists, timber industry, and other interest group representatives simply about sitting in the same room together after years of conflict amounting almost to open warfare. RAC members were highly skeptical that the process would work. Many did not believe that the time together would be productive, much less that they would be able to find common ground. But across almost all the cases, RAC members and agency officials agreed that not only were members of different interest groups working together to support worthwhile projects, but that in doing so they learned something from one another and have dramatically improved collaborative action. By the close of the period of field study for this review, no RAC project had been appealed or challenged, further confirming the success of Title II. As noted above, this success is highlighted by steady, voluntary increases in county allocations to Title II between 2002 and 2005 of 4% for national forest counties, and of 5% allocated to Bureau of Land Management RACs in Oregon. In the case studies, 61% of the counties had dedicated over 55% percent of available funds to Title II. One-third of these counties increased their Title II allocation by more than five percent between 2002 and 2004. Another striking indicator of the success of RACs came from the many RAC members who reported that relationships among representatives of different interests serving on a RAC are being carried into other collaborative endeavors.

A key ingredient of success is that RACs have money for projects and on-the-ground work.

RAC members know that unless they can come to an agreement, no projects will be funded. This has proven to be a powerful motivator to work together. But the work of a RAC goes beyond votes on supporting projects. Presentations and discussions within the RAC have led to mutual learning and support for projects that probably would not have been approved without the arena the RAC offered for these conversations. Members of many RACs reported an increasing openness among representatives from the different interest groups to consider projects that would previously have been anathema to them. The Fremont-Winema RAC unanimously approved an old growth thinning project. Commenting on another fuels thinning project, one environmentalist said that had someone in the past mentioned she would support a project of this kind, which would previously have generated an instant legal challenge, she would have dismissed them as “crazy.”

Good RAC leadership is essential for RAC success.

RAC leadership comes from a variety of sources: the RAC chair, the designated federal official, or project coordinator, and, in the most effective RACs, a combination of all three. Two of the RACs in the case studies employed professional facilitators to help coordinate the group and run meetings, but the others relied on an elected chair to coordinate meetings. Study findings suggest this leader should be neither too strong nor too weak. The former may lead to a single agenda being advanced that is not shared by all or even most of the members of a RAC. A weak leader may result in the agency playing too dominant a role. Case studies included examples of both kinds of leaders resulting in less collaborative RACs. One RAC led by an overbearing and powerful chair displayed a minimal degree of collaboration. The RAC advanced county interests over a collective RAC interest because the dynamics and management of the RAC prevented members from forging a common vision. The majority of the RACs examined, however, displayed facilitative leadership in which chairs and agency officials interacted smoothly and amicably, with the support of the large majority if not of the full group. RACs in which the chair rotated regularly appeared to be more successful in avoiding overly dominant leadership.

Field trips are an effective tool to build collaboration.

Field trips have advanced RAC collaboration because they allow members to discuss landscape conditions and issues, and the role projects play in improving forest health. Field visits can be a great leveler: RAC members are more likely to talk about issues rather than to stake out philosophical or ideological positions. “Kicking the dirt together” has led to numerous conversations about ecological needs and social issues, which have spawned fruitful discussions leading to agreement about project needs and selection. Field trips have also proven useful as an informal and important way for RACs and the agencies to monitor projects.

Collaboration is fertile ground for more collaboration.

Previous experience with collaborative approaches in local government and in management in natural resources has helped RACs to become operational sooner. In the West, the history of community involvement with the federal agencies through a variety of collaborative activities and groups has helped make the idea of collaboration in a RAC easier to embrace. For example, in the Northern Panhandle of Idaho, years of working together as a five-county region not only helped the RAC get started, but also helped its members avoid the temptation to negotiate to receive project support equivalent to their Title II allocations—as many RACs did—and to focus more on the quality of and regional need for individual projects. The Southwest Mississippi RAC, whose members lacked a history of resource-based collaboration, is proving more successful in those counties that have had successes in overcoming a historic legacy of racial conflict. These RAC members are still learning about how best to use RAC funds, but they already view their work as positive and offering unique future possibilities.

There remain some areas in which historic distrust of the agencies, distrust among interest groups, or distrust among the counties themselves constrain RAC operation, or prevent RACs from getting established altogether.

While we did not set out to evaluate why some RACs got started and others did not, it nonetheless became clear that single-interest and obstructive influence by interest groups or county officials have prevented some RACs from getting off the ground and, in some cases, contributed to dysfunctional RACs. Disproportionate influence of certain interest groups on a RAC undermines RAC functioning. These conflicts appear to be few, but where they exist they are intense and require an active and equally intense effort to overcome them.

New and improved relationships among RAC members, the interest groups they represent, and the federal land management agencies have characterized RAC operations.

The RAC process has led to a new and qualitatively different kind of interaction between the public and the agencies. A number of RAC members noted that their involvement has given them a greater appreciation for agency constraints, processes, and requirements for engagement with the public. In a similar vein, agency representatives spoke of their enhanced and more nuanced understanding of interest group perspectives. In many cases Forest Service and Bureau of Land Management personnel had become more responsive to public concerns as a result of interactions with the RAC. Agency representatives are learning new ways of doing business.

RAC Learning

Many RACs proved to be potent learning laboratories.

In addition to being powerful focal points for collaboration, the RAC forum stimulated learning. RAC interest group members and many agency officials spoke repeatedly about learning from each other and *with* each other through discussions and field trips. Many RAC members and agency officials broadened their perspectives and understanding of resource issues and challenges. Collaboration is itself potent, as diverse perspectives are brought together in RACs, but learning together generated new individual and collective understanding, that, in turn, stimulated new ideas.

<p>1. RACs represent a new model for establishing public-agency consultative arrangements. Within limits, these consultative arrangements can be used for activities that go beyond P.L. 106-393 in the future.</p>

Appreciation for agency constraints, processes, and possibilities for public engagement, along with understanding of RAC work has not, for the most part, extended to the general public.

In most of the case studies, there remained a disappointing lack of knowledge among the general public about the RAC and RAC projects. Despite the good projects being supported and the outstanding collaborative relationships established among RAC members and between RAC members and the agency, the wider population does not know about RACs. Project and collaborative learning was primarily confined to members of the RAC, with one effect being a reduced number of non-agency and non-county applications for RAC funding.

2. RACs themselves, the agencies, and possibly third parties should do more outreach and education to inform others about the work and lessons of RACs.

RAC Membership

Some RACs lack the wide diversity of participation called for in the legislation; for the most part, interest group representation is sound, although some categories are filled with inappropriate representatives.

Despite their historic and continuing relationship to natural resources, including those on federal land, Native American groups are under-represented or not represented on some RACs and do not receive project support to the degree that might be expected.

Filling the Native American position on RACs proved difficult for a number of RACs. Reasons varied. In some cases tribes had little experience with collaborative groups, and, federally recognized tribes may view collaboration with a RAC as inappropriate given the unique relationship they have with the U.S. government. Demands on tribes and tribal governments are often considerable with leaders being asked to serve in multiple public service capacities. Participation in a process with uncertain outcomes may not be a high priority. Because of the special relationship tribes have with the federal government and because of cultural differences regarding appropriate invitation and committee participation, sending a letter or a general call for applications are often inadequate channels of communication. In areas with multiple tribes, obtaining representation is further challenged by the fact that a tribal member may not legitimately speak for more than one tribe. One solution to this is to recognize that participation by tribal members should not be limited to one reserved position on the RAC. Tribal members will often be well qualified to serve in other positions such as an environmental or industry group representative or as a public official and should be invited to do so. Tribes have participated effectively on some RACs, but more consistent attention by the agencies and by RAC members alike are needed to engage more tribal members in making the RACs genuinely representative of all interest groups concerned with the health of the forests and surrounding communities.

Some interest group designations like “wild horse and burro” do not fit the diversity of environments, regional economies, or sociodemographic conditions found in all regions of the country. Other categories, like “organized labor” have proven difficult to fill.

The wild horse and burro position reflects an idealized west and is relevant only in certain regions that are home to wild horses and burros or with active horse riding groups; it has proven to be the most difficult category to fill in the RACs examined in this study. The labor category has also proven difficult to fill in part because of the general decline in organized labor and in part because of the decline in the number of timber industry jobs, a sector that at one time historically constituted the highest number of unionized workers in forest dependent rural areas. Where other labor organizations exist they should be considered appropriate surrogates when traditional organized labor representatives are unavailable. In the absence of these traditional labor unions, service workers, who are increasing given the transition to economies based more

on amenity values, or the growing numbers of harvesters of non-timber forest products, should be considered—even if they are not unionized. Numbers in these groups are rapidly increasing and they remain under-represented in forest management discussions. Similarly, where there are interests that are inactive or absent in an area, other more appropriate groups should be considered.

3. RAC interest categories should be changed as follows to reflect changing demographics and to enable them to respond more effectively to issues facing forest communities across the country:

- A. (i) represent organized labor, **another labor organization, or non-timber forest product harvester groups,**
- (iii) represent energy and mineral development, **or commercial and recreational fishing, interests**
- (v) hold federal grazing permits, or other land use permits within the area for which the committee is organized, **or represent non-industrial private forest land owners.**
- B. (v) nationally or regionally recognized wild horse and burro interest groups, **wildlife organization, or watershed association.**

The role of “replacements” is misunderstood by some RAC members and agency officials.

Many RAC members and officials spoke of replacement and alternate members interchangeably. This confused the role of the replacement member, suggesting to some that the “replacement” could serve as an alternate, filling in whenever a RAC member is absent. The legislation is silent about replacements and alternates, but replacement members are administratively accepted and have been appointed to step into a position within their subgroup when one of five positions is vacated. This is to assure continuity in RAC functioning. This process, however, can lead to inappropriate filling of interest positions since there is no way to ensure that the replacement fits the interest position that is vacated. Interest group representation will be compromised when a replacement member does not fit a vacated position. Some replacements have been allowed to participate in aspects of the project recommendation process. Most, however, have not and this has proven to be a source of frustration for them, acting as a disincentive to devote the time and energy that are asked of RAC members. RAC members have also expressed their frustration with the present situation, especially when a sub-group does not have a quorum in a meeting and is therefore not allowed to make a decision. Enfranchisement of replacements is an issue that warrants further exploration and discussion.

4. A. Eliminate replacement members associated with a single category since there is no way to assure that one individual can fill a vacated interest position.

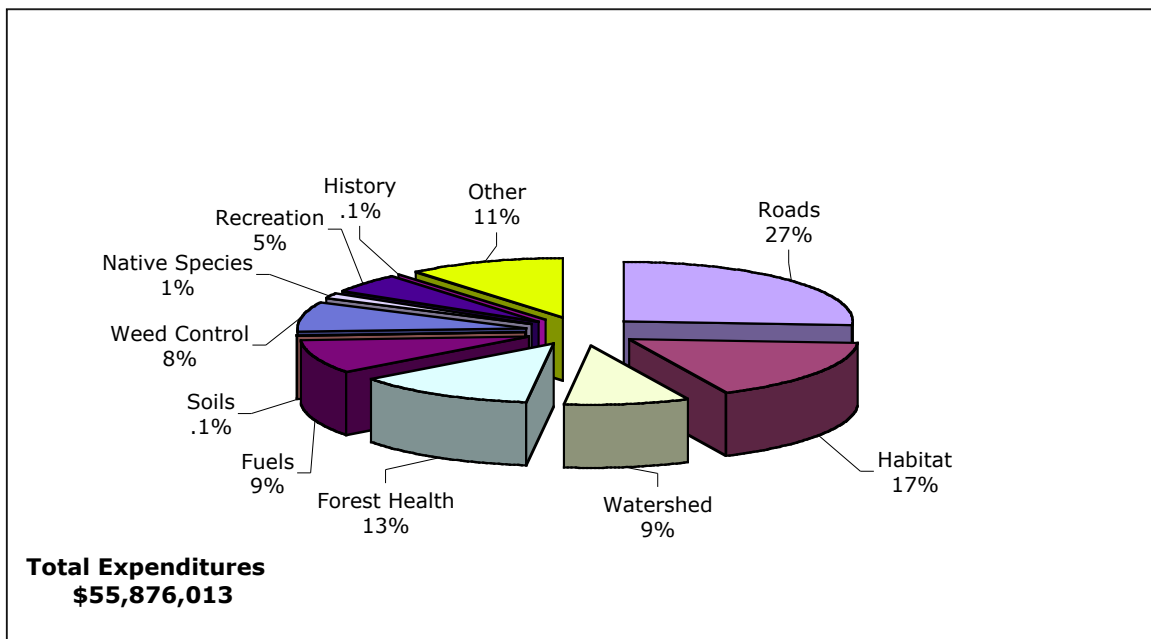
B. If retained, replacements should not replace a RAC member unless the individual can genuinely represent the interests of a vacated category.
(Replacement members should receive the same level of scrutiny by the Secretary that a new appointment receives.)

RAC Projects

The largest category of spending for the 15 case study RACs examined is roads, representing just over \$14.6 million or 26.2% of total RAC expenditures (see Figure 1). This category includes a variety of roads and road-related projects such as grading and surfacing, as well as culvert replacements to solve problems associated with impending culvert failures. Six RACs allocated between \$1 million and \$2 million for projects in this category. The second largest category of RAC expenditures is for projects that restore, maintain, or improve wildlife and fish habitat. This category represents \$9.4 million or nearly 17% of total RAC expenditures.

A total of \$4.9 million was allocated for watershed restoration and maintenance-related projects such as upslope stabilization efforts, downslope sediment reduction projects, and estuary-related projects, such as fish-friendly tidegates.

Figure 1. Percentage of Title II Expenditures by Category for 15 Case Study RACs



Based on the case studies, the requirement that 50% of all Title II projects be used to fund road maintenance/obliteration or watershed improvement/restoration appears to be met nationally.

The combined allocations among the case study RACs for roads, habitat improvement, and watersheds come close to 52% of the total amount allocated, meeting the legislative requirement under Section 204(f) that 50% of RAC dollars support projects “primarily dedicated to road maintenance, decommissioning or obliteration, or to restoration of streams and watersheds.” It is important to point out that RAC projects may be included in more than one category, making classification difficult. For example, most “habitat” projects could also be categorized as watershed improvement projects.

Forest health-related projects constitute the third largest RAC expenditure category, with 95% of forest health expenditures concentrated in three Oregon RACs. A total of \$7,188,491 or 13% of total Title II expenditures for the 15 case study RACs, was allocated in this project

category. Most forest health projects involve pre-commercial thinning. Few RACs have supported forest health projects that involve extraction of merchantable timber. Fuels reduction projects, totaling \$5,149,377, represent the fourth highest expenditure total at 9% of total expenditures. Like forest health projects, funding for this category is skewed—only 7 of the 15 RACs recommended fuels reduction projects. Noxious weeds were the fifth highest funded category, receiving nearly \$4.5 million or 8% of the total. All RACs allocated some money to noxious weed projects; the highest allocated 26% of its total funds. Recreation-related projects make up the last category receiving significant funding. Slightly more than \$3 million dollars totaling 5% percent of all funding were allocated to recreation projects, which involved trails, campground, and other recreation-oriented infrastructure work. The “other” category received 11% of all allocations, totaling a little over \$6 million, and included a diversity of projects such as forest interpretation and education programs, support for Fire Safe Councils, management plan development, and enhancing agency GIS capabilities.

Given the budget shortfalls the agencies are experiencing, RAC dollars have enabled the Forest Service and the Bureau of Land Management to implement projects that would otherwise not be done.

There are hundreds of examples of RAC funds being used to complete projects that the agencies need to do and that the public wants to be done. RAC money represents a new and important source of money for the agencies to do work that is needed. Some agency personnel are extremely effective—some might say aggressive—in drafting proposals for RAC consideration. The significant difference with RAC funded projects is that the public in the form of the RAC is participating directly in making recommendations about project selection and spending. While agency personnel are enthusiastic about the opportunity Title II money represents, many have raised the question—and some have expressed frustration—about RAC funds being used for work the agencies ought to be doing anyway. Use of Title II funds to address basic infrastructure and related needs may reduce the availability of funding for experimental or novel projects.

Unfunded Mandates

RAC supported projects are creating new unfunded mandates for the agencies.

While RAC funding has proven to be a shot in the arm for infrastructure maintenance and improvement of federal forestlands, numerous RAC projects are creating future budgetary obligations for the agencies. For example, the installation of portable or permanent toilets or construction of a trail or campground facilities create agency obligations to maintain these facilities. Similarly, fuels reduction projects require follow-up treatment of fast growing forbs and shrubs to prevent them from over-running a site and creating new fire hazards. These and other RAC-funded projects represent unfunded mandates that agencies cannot ignore. Meeting these obligations will require future allocations of staff time and financial resources. While it is true that these tasks are the responsibility of the agencies, there nonetheless needs to be the recognition of the need to meet future obligations with increasingly constrained budgets.

5. Agencies need to be clear with the RAC and the public about the impact on their staff workload and limited budgets of RAC-funded projects that increase agency obligations. A deliberate conversation needs to start sooner as opposed to later with the RAC and others regarding how these additional obligations will be addressed.

The Cost of Collaboration: RAC Administrative Fees

Agency administrative fee charges for RAC support and project administration are confusing, shifting, and inconsistent.

There are almost as many different formulas for determining RAC administrative support costs as there are RACs. In the first years of the program, the agencies did not charge, or charged very little, for providing administrative support. As RACs became operational, the agencies faced increased coordination pressures, managing project contracts, and, for some, paying for RAC member travel. Coupled with declining budgets, the agencies found themselves obliged to charge administrative fees. Charging administrative fees frustrated some RAC members and local government officials alike who felt that the agencies were using RAC money that should go to projects. Much of the frustration, however, resulted from the agencies initiating charges a year or two into the program and applying them inconsistently across forests. The rates individual forests and BLM districts charge lack consistency across RACs, and even vary from one year to the next within a single RAC.

6. Agencies should establish clear and simple guidelines for charging RACs for administrative expenses. Greater consistency will improve understanding and reduce RAC member and project manager frustration.

The Forest Service in some areas has had difficulties paying project contractors in a timely manner. Some of this is due to forest-level inefficiencies and idiosyncratic differences between contracting officers, or issues associated with regional coordination. There are examples of agency officers unwilling to sign off on projects because of a concern about some aspect of a project and the personal responsibility contractors themselves incur as contracting officers. The Forest Service's recent shift to a central contracting and reimbursement facility in Albuquerque, New Mexico has contributed to delays in paying project contractors. Some delays have extended for many months. Whether delays are the result of forest or district level problems, or whether they are due to more centralized, bureaucratic issues is irrelevant when it affects small contractors who face cash flow shortages for extended periods of time and struggle to pay workers. These delays have slowed some projects and threatened others. From a programmatic standpoint, delayed contracts and payments erode the goodwill and relations that have been established or re-built through the RACs. They also compromise the ability of the secure payments program to generate employment opportunities through contracts with local businesses.

Some counties and agency offices have established overly dominant roles for themselves with project proposals, funding, or RAC direction.

Some RACs have allocated their funds almost entirely to projects presented by federal agencies with little or no support for projects proposed by others. It is not uncommon for some RACs to receive 50 to 75% of their project proposals from the Forest Service. (In general, the BLM receives proportionately less project funding from RACs under its jurisdiction.) In some RACs the Forest Service appears to occupy a privileged position having, for example, the opportunity to present agency projects before other entities. RAC members recognized that the vast majority of the projects the agencies brought to the RAC were good and needed. Nevertheless, a number of members felt that the RAC would be better served by soliciting proposals from a wider set of local organizations.

7. Agencies and RACs need to solicit more proposals from local businesses, non-governmental organizations, and local government, especially in areas where RACs are predominantly funding agency projects.

A common challenge of multi-county RACs is the demand by some county officials that each county should receive project dollars commensurate with their RAC contribution. This has sometimes led to project approval processes that respond primarily to county priorities, with county officials threatening to reduce or terminate allocations of funds to Title II when they are dissatisfied with the distribution of projects between counties. This form of control over RAC decisions is relatively uncommon, but where it occurs it is both disturbing and destabilizing.

RAC-funded projects have leveraged millions of additional dollars, many partnerships, and thousands of hours of volunteer hours.

A number of projects have been implemented that demonstrate the power of multi-jurisdictional and public-private partnerships. All of the RACs funded some projects that leveraged additional resources, partnerships, and volunteer work. Some of the largest projects were the most leveraged, including funds from other federal programs. Project record keeping was insufficient to determine the total number of dollars and volunteer hours, but it was impressive by any measure. It has widened the circle of collaboration and built new partnerships that are likely to work more together in the future.

Title III

Title III funds have proved to be most valuable to counties in covering services they are expected to provide to their citizens and the general public: search and rescue on public lands, and fire prevention and county planning.

The highest funded category of all Title III expenditures in the case studies is “search and rescue and emergency services,” totaling 34.1%. “Fire prevention and county planning” at 24.1% and “forest-related education” at 22% were the next highest funded categories. The top three categories in California were the same, but totals differed somewhat: “county planning and fire prevention” and “search and rescue and emergency services” were the top two funded categories receiving, respectively, 30.6% and 30.4%. The number of distinct allocations to the category “county planning and fire prevention,” was by far the highest, with a total of 143 total projects or separate allocations, compared to 83 for “search and rescue and emergency services.” The

category “forest related education and fire prevention” was third, comprising 20.5% of all Title III funding in California during this period.

Title III funds have been used successfully to develop community wildfire protection plans and other capacity building work that has led to effective leveraging of Title II and National Fire Plan funds, and other resources.

The most successful Title III programs have also used their own funds to leverage Title II dollars and other funded programs. Considerable sums of Title III funds have been used for planning and for building the capacity of communities to engage in fuels reduction and forest thinning, qualifying them for National Fire Plan funds and other funding. This kind of leveraging has been an extremely effective tool for developing fire plans in the wildland-urban interface and in completing fuels thinning projects. Title III projects that build local capacity and leverage funds are even more important in light of declining National Fire Plan funding, the loss of Economic Action Programs of the Forest Service, and other funding shortfalls. Title III funds have also been used to implement a multitude of educational projects. County support for these programs has allowed local people and others to learn about forest communities, and the role and importance of stewardship of a working landscape.

Up to half the study counties did not disburse funds through open and competitive processes of project solicitation and approval.

A total of 46 percent of all California Title III funds distributed during the first three years of the program were allocated through administrative processes, not through competitive grant processes. Half the case study counties distributed their Title III funds by administrative allocation during the first four years of the program. This had the effect of restricting the diversity of groups and projects receiving Title III project support. While counties adhered to the 45-day comment period required by the legislation, allocating funds through internal county budget mechanisms is, at best, questionable as to whether it is within the spirit and intent of the legislation.

8. The meaning of “project” in Title III needs to be made consistent with Title II. More open, competitive, and transparent processes for project solicitation, review, and approval by the counties are needed. This will lead to more diverse groups applying, and more educational and innovative projects.

The vast majority of Title III funds have been used for authorized purposes, but some clearly did not meet the spirit and intent of the act.

On the whole, the majority of Title III funds appear to have been used for authorized purposes, although some were not. Unacceptable allocations included payment for county officials’ salaries and for reimbursement of PILT funds lost as a result of Title III payments. Researchers did not attempt to judge the legality of allocations or project expenditures, but some projects appeared clearly to violate the spirit and intent of the act. Administrative allocations and lack of oversight contributed to funds being allocated in ways that did not fit approved categories. Many officials questioned “search and rescue” allocations for equipment purchases in

cases in which counties did not prorate equipment to the percentage it would be used on public land.

The lack of oversight and an authoritative source for information about Title III hampered county officials and contributed to irregular proposal processes and allocations.

There was no agency or entity designated to provide Title III oversight or offer consultation for Title III. As a result, county officials had no one to call if they had questions or needed an interpretation about a project's fit with the legislation. Bureau of Land Management and the Forest Service officials informally provided information, but this exceeded their responsibilities and many officials were clearly uncomfortable in this role. Some state-level associations of counties provided information, but it was not always consistent from one state to another and sometimes questionable with respect to how well recommendations fit with the spirit and intent of the act. This was complicated by the fact that Title III was not as clearly written as Title II, thereby leaving more questions. As a result, counties have not always been clear about whether projects conform to Title III, causing frustration and confusion. Counties need a source of authoritative information to assist them in deciding whether proposed projects meet the terms of the act. A clearing house or central information source that circulates information, provides training, and offers ideas about innovative and successful projects would improve the quality of projects and consistency of Title III implementation nationwide.

9. A single organization or entity should be given responsibility for ensuring accurate and timely reporting of Title III projects. This entity could also provide training for counties to improve project development, selection, and implementation.

Title III lacks a coherent system of project recording and monitoring. Researchers found it exceedingly difficult to locate reliable data on how Title III money was spent, what projects were funded, and on project success. Like Title II, there was no effectiveness monitoring, and in a few cases there were only informal records of Title III use. Some counties never did provide full information on Title III expenditures despite repeated requests over many months. Monitoring of Title III should, at minimum, document project type, cost, applicant, funds leveraged, and time frame.

10. There should be accurate and coherent monitoring of Title III projects. Failure to monitor Title III increases the likelihood that funds will be used in ways inconsistent with the spirit and intent of the legislation, and reduces opportunities for learning and collaboration.

Institutional Issues

The legislation has untapped potential to improve interaction between the Bureau of Land Management and the Forest Service regarding adjacent ownership, watershed, and landscape management issues.

P.L. 106-393 did not suggest that the two agencies should work more effectively together but it did speak strongly to increased collaboration. This could, for example, include increased collaboration between the two land management agencies in Oregon where they manage adjacent

land. The two agencies could set an example by planning and implementing landscape-level or watershed projects without regard to land ownership. RACs have, in fact, supported projects on private land that contribute to the improvement of federal land. RAC projects and agency and inter-agency work could be better blended to more effectively address watershed and landscape issues.

Employment

Across almost all of the cases, RACs and Title III projects have supported youth employment projects.

Millions of dollars have been invested in Youth Conservation Corps (YCC) or similar employment programs, as well as programs for at-risk youth. Almost all RACs examined supported one or more youth employment projects. RACs in general are quite pleased with experiences projects have offered youth, the benefits youth have gained from working on the land, as well as the landscape improvements. These programs have improved trails, reduced fire risks, and removed noxious weeds, among their many accomplishments. They are also developing the human capital needed for continued management of forests and watersheds as participants move into resource-related jobs or educational programs.

Job creation, beyond youth employment, has been indirect and piecemeal. Most projects offer only part-time or short-term work.

In a few cases the RACs or the agencies have attempted to provide projects that bridge seasons and slow-work periods in order to offer year-round work. While a number of RAC members expressed interest in generating employment, they quickly learned how difficult this is and how limited a project-by-project approach to this issue is. Some RACs, like the Siskiyou County RAC in California, have actively discussed funding large projects. They recognize that tradeoffs involve reduced funding for other worthwhile and needed smaller projects, and are accompanied by the risk that large projects provide no guarantee of providing long-term, family wage employment. Lack of good monitoring has kept RACs from analyzing this issue in depth and building a knowledge base of successful approaches to employment generation.

Monitoring

Monitoring of both Title II and Title III has been inadequate and needs to be improved.

A few RACs and counties took it upon themselves to monitor funded projects, but even the best of them focused primarily on general project reporting and implementation monitoring, not on outcome-based or project effectiveness monitoring. To be fair, given the relatively short duration of the legislation, effectiveness monitoring is difficult if not impossible with many projects. The legislation also did not specify the entity responsible for monitoring. Title III data have been particularly difficult to secure. Counties need to provide a specified amount of project information. More clarity about monitoring may be accomplished through subsequent legislation or through rulemaking, which offers more flexibility, but it needs to be done. This comment echoes a call made by the Forest County Payments Committee in its 2003 report. Good

monitoring builds in accountability, contributes to program learning and project development, and improves resource management.

The Future

Findings from this study strongly support continuing P.L. 106-393.

Given the successful collaboration, learning, and on-the-ground project accomplishments, this legislation has exceeded expectations and accomplished more than most thought possible. The work that counties and RACs have accomplished during the first five years of the legislation has laid the groundwork for continued and improved future collaboration and learning. This work has also accomplished valuable projects that are restoring health to working, forested landscapes. This legislation should be viewed as a work in progress that has significantly reduced gridlock characterizing resource management for the past two decades. Re-authorization should consider building on RAC collaboration and developing projects that will help identify and develop a new “ecosystem products and services” approach that will enable continued payments to forest counties on a par with P.L. 106-393 and beyond the lifetime of re-authorization.

11. Should the legislation be extended by five or six years—and we believe it should—where the combined total of Title II and Title III funding exceeds \$200,000 yearly in a RAC area, there should be a requirement that 3-5% of these funds be dedicated to experimental projects examining how forest products and ecosystem services can provide a future stream of revenues to replace the current P.L. 106-393 funding mechanism.

While it is widely recognized that fuels and forest management must continue and even be expanded, and products can be produced that will provide revenue, counties should not expect that harvests and timber revenues will return to levels of the 1980s. Similarly, counties should not expect funding from the federal government through a program like P.L. 106-393 to continue in perpetuity. Other revenue streams need to be developed. Re-authorization of the legislation should be utilized as a “bridge” to a program that combines revenues from resource products and environmental services to replace federal payments now supporting Titles I, II, and III. RACs should be engaged in the discussion of how future payments might be based on these services and receipts for both timber and non-timber forest products. Any self-sustaining continuation or successor to the Title I, II, and III programs will have to be built on the foundation of these payments.

The very effectiveness of P.L. 106-393 compels taking advantage of any period of re-authorization as a time to engage in projects, reflection, and consultation to ensure the viability of this valuable program and the long-term prosperity of rural communities.