



Highlights of [GAO-12-775](#), a report to the Committee on Energy and Natural Resources, U.S. Senate

Why GAO Did This Study

Under the Secure Rural Schools Act, counties with federal lands may elect to receive payments to help stabilize revenues lost because of declining federal timber sales. Under Title III of the act, counties are authorized to use these funds for certain projects related to wildland fire and emergency services on federal lands. Counties received \$108 million for Title III projects for fiscal years 2008 through 2011. The act provides oversight roles for the Forest Service and BLM, requiring them to review counties' certification of their Title III expenditures as they determine to be appropriate and to issue regulations to carry out the purposes of the act. GAO examined the (1) actions the agencies have taken to oversee county spending under Title III, (2) consistency of selected counties' expenditures with the act, and (3) extent to which counties have followed Title III's administrative requirements. GAO reviewed agency and county documents and interviewed officials from the Forest Service, BLM, and 42 selected counties.

What GAO Recommends

If Congress chooses to extend Title III beyond 2012, it should consider making explicit which types of expenditures are and are not allowable. GAO also recommends that the agencies issue regulations or clear guidance specifying the types of allowable county uses of Title III funds. In commenting on a draft of this report, the Forest Service and Interior generally agreed with GAO's findings and recommendation.

View [GAO-12-775](#). For more information, contact Anu Mittal at (202) 512-3841 or mittala@gao.gov.

July 2012

PAYMENTS TO COUNTIES

More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act

What GAO Found

Both the Forest Service and the Bureau of Land Management (BLM) have provided limited oversight of county spending under Title III of the Secure Rural Schools Act. Neither agency has issued regulations, and guidance available from these agencies is limited and sometimes unclear about which types of expenditures are allowable under the act. In addition, their guidance appears to be inconsistent with certain provisions of the act. For example, the Forest Service website contains a brief overview document of Title III, which generally echoes wording in the act, and a "frequently asked questions" document. These documents, however, do little to clarify language in the act, neither defining terms from the act, such as "emergency services," nor specifying which activities the terms cover. Moreover, the agencies do not review the annual certifications of expenditures that counties are required to complete to determine whether counties spent funds appropriately and do not have assurance that they have an accurate accounting of the amounts of Title III funding spent and unspent by the counties. According to agency officials, the steps they have taken to provide guidance have been limited because they believe they do not have authority under the act to do more to oversee county spending. They also stated that Title III's provisions are clear and do not need further clarification through regulations. As a result, they generally have not provided advice to counties on how to interpret the act and have not taken steps to assess whether counties are spending funds appropriately.

The counties GAO reviewed reported using Title III funds for projects that were generally aligned with the three broad purposes of Title III—wildland fire preparedness, emergency services on federal land, and community wildfire protection planning—but GAO identified various expenditures by some counties that may not be consistent with specific requirements of the act. For example, consistent with the act, some counties used funds to provide homeowners with education on or assistance with home siting, home construction, or home landscaping to help protect people and property from wildland fires. Other counties, however, reported expenditures that appear inconsistent with the act's provisions, such as spending on broader emergency preparedness activities including clearing vegetation along evacuation routes, updating 9-1-1 systems, or buying capital equipment. Counties may have considered such expenditures appropriate because the language of the act is open to varying interpretations and because of the limited and sometimes contradictory guidance and advice available to the counties from the agencies and other sources.

Counties also did not consistently follow Title III's administrative requirements, which include annual certification of expenditures, 45-day notification periods to the public and others before spending funds, and deadlines for project initiation and funding obligation. GAO found that some counties closely followed these requirements, whereas others did not. For example, some counties certified their Title III expenditures on time and in accordance with agency instructions, but some counties did not submit a certification for certain years when they spent funds, other counties submitted their certifications late, and still others did not consistently follow notification and project initiation requirements.