

Highlights of [GAO-13-475T](#), a testimony before 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. The act provides oversight roles for the Forest Service and BLM, requiring them to review counties' certification of their Title III expenditures as the agencies determine to be appropriate and to issue regulations to carry out the act's purposes. GAO reported to this committee in July 2012 that the agencies had provided limited oversight of county spending under Title III and that, although the projects for which counties reported using Title III funds were generally aligned with the broad purposes of Title III, county spending did not in all cases appear consistent with specific provisions of the act.

This testimony describes (1) key findings of GAO's July 2012 report on oversight and implementation of the act ([GAO-12-775](#)) and (2) actions the agencies have taken to strengthen oversight of county spending since the July 2012 report was issued. The testimony is based primarily on GAO's 2012 report and includes selected updates conducted in March 2013 on actions the agency has taken in response to that report.

GAO is making no recommendations in this testimony. In July 2012 GAO recommended that the agencies strengthen their oversight by issuing regulations or clear guidance. The agencies concurred, and took action to implement this recommendation.

View [GAO-13-475T](#). For more information, contact Anne-Marie Fennell at (202) 512-3841 or fennella@gao.gov

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PAYMENTS TO COUNTIES

Shortcomings in Oversight and Implementation of Key Parts of the Secure Rural Schools Act May Be Addressed by Recent Agency Guidance

What GAO Found

In July 2012 GAO reported that the Forest Service and Bureau of Land Management (BLM) had taken few actions to oversee county spending under Title III of the Secure Rural Schools and Community Self-Determination Act, and that the guidance they provided was limited and in some cases did not appear consistent with the act. GAO also reported that some expenditures by selected counties may have been inconsistent with the act—which may have resulted in part from the limited guidance available from the agencies—and that reviewed counties did not consistently follow Title III's administrative requirements. Specifically, GAO found the following:

- Neither the Forest Service nor BLM had issued regulations under the act, and the guidance the agencies had issued was limited and sometimes unclear. Forest Service guidance, for example, did little to clarify language in the act, neither defining terms from the act nor specifying which types of expenditures were allowed under the act and which were not. The absence of clear guidance or regulations was of particular concern to GAO because the act itself does not define key terms. For example, the act authorizes counties to use Title III funds for "emergency services" but does not specify the types of activities covered by this term. Moreover, the agencies did not have assurance that they had an accurate accounting of the amounts of Title III funding spent and unspent by the counties, which is important because the act requires unobligated funds to be returned to the U.S. Treasury upon the act's expiration.
- 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 certain expenditures by some counties that may not be consistent with specific requirements of the act. Such expenditures included funding for activities such as clearing vegetation along evacuation routes, updating 9-1-1 systems, and conducting routine law enforcement patrols on federal land. Some counties GAO reviewed reported using funds to purchase equipment, such as radios and GPS equipment, sonar equipment, watercraft, all-terrain vehicles, snowmobiles, and trucks for patrols.
- 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. For example, some counties did not submit a certification for certain years when they spent funds, some counties submitted their certifications late, and some counties did not consistently follow notification and project initiation requirements.

Since GAO's report was issued, the Forest Service and BLM have provided additional guidance to counties, which clarifies allowable uses of Title III funds. In addition, the agencies reported that they plan to change their requirements for annual reporting of expenditures to obtain additional information regarding the extent to which counties have obligated their Title III funds. The additional guidance addresses the recommendation in GAO's July 2012 report.