



UNITED STATES SENATOR ★ SERVING THE CITIZENS OF IDAHO

LARRY CRAIG

[HTTP://CRAIG.SENATE.GOV/PRESS/](http://craig.senate.gov/press/)

NEWS RELEASE

For Immediate Release
Tuesday, September 23, 2008

Susan Irby (202) 224-8078
Will Hart (208) 342-7985

U.S. SENATE APPROVES
CRAIG/WYDEN ‘COUNTY PAYMENTS’ FOUR-YEAR EXTENSION
-- Includes 75 Percent Annual Increase for Idaho Rural Schools --

WASHINGTON, D.C. – The U.S. Senate today approved a four-year extension and a generous funding increase for the landmark initiative of Idaho Senator Larry Craig to provide the same resources and advantages to rural schools as are enjoyed by their urban counterparts.

Under a new formula negotiated by Senator Craig and others for the program known as “county payments,” Idaho rural schools will receive \$42 million annually over the next four years, a 75 percent increase compared to the \$24 million annual payments authorized in the initial legislation in 2000.

“The goal of America’s public school system should be to provide every student with a world-class education, but in Idaho, as in other States, rural counties – especially those with large areas of public lands which do not contribute tax revenues to schools – have been impeded in meeting that promise,” Senator Craig said today following passage of the measure contained in a larger bill to extend expiring tax incentives. “Today’s action marks a comprehensive extension of the legislation Oregon Senator Ron Wyden and I convinced the Congress to pass in 2000 to provide a transitional funding stream for rural schools.”

The original Craig/Wyden Secure Rural Schools and Community Self-Determination Act of 2000 established a six-year payment formula for counties that receive revenue sharing payments for U.S. Forest Service and Bureau of Land Management (BLM) lands. The formula, based on timber receipts, provided a dedicated funding stream for rural schools which cannot collect property taxes – the schools’ primary source of funding – from federal forests and range lands.

Craig said the bill passed by the Senate today is a four-year extension of the Secure Rural Schools act combined with the Payment In Lieu of Taxes (PILT) program for counties losing much of their tax base due to large amounts of (BLM) lands.

“Senator Craig and I have been partners in this for some time,” Senator Wyden said in a statement on the Senate floor. “We believed we had a good model when we moved to pass it during the Clinton years in 2000. It has exceeded our expectations in terms of bringing people together and helping these rural communities survive.”

[MORE]

Craig page 2 – U.S. Senate Approves Craig/Wyden ‘County Payments’ Four-Year Extension

“I thank Senator Wyden for the work he has continually done on behalf of timber-dependent school districts,” Senator Craig said, noting the uniqueness that Western States have with large portfolios of public land which impact the economy of local communities. “When he and I stood together and worked out Craig/Wyden and worked with our timber-dependent school districts and got it funded, we solved a very big problem.

“Today’s action by the Senate sends a message back to our school districts and our counties that we are here to help, to assist, and to stabilize the very dire economic conditions those school districts and counties are experiencing.”

After Congress failed to immediately renew the original Craig/Wyden authorization when it expired in September 2006, Craig succeeded in convincing the Congress to approve a one-year extension. He again pushed the Senate to okay another one-year extension earlier this year, but the House of Representatives did not agree.

Craig said that without the funding in today’s Senate-passed bill, 120 Idaho teachers would lose their jobs because the county payments program provides one-third of the budget for some rural school districts in the State. The legislation, which now goes to the House of Representatives for approval, impacts nine million children in rural America, he said.