

**Priority:** Education  
**Program Offer Type:** Existing Operating  
**Related Programs:**

**Lead Agency:** Non-Departmental - All  
**Program Contact:** Julie Neburka

**Program Characteristics:**

**Executive Summary**

This program offer distributes revenues received from the sale of timber cut on federal forest land and Property Tax associated with railroad cars to local school districts. This is a statutory responsibility of Oregon counties and these revenues are dedicated to a County School Fund.

**Program Description**

Since 1908, all counties in Oregon have received payments from the US government from revenue generated by the sale of timber cut on federal forest lands. State law specifies how the revenue is to be allocated.

No timber revenue is budgeted for FY 2008. The federal law, PL106-393, sunset as of September 30,2006 and it has yet to be reauthorized by Congress. The prospects of this program being renewed appear remote at this time.

The County School Fund also receives a portion of the ad valorem tax that is assessed on the value of rail cars as outlined by state statute. (ORS 308.505 to ORS 308.665)

**Program Justification**

This program links to the School Success priority. It provides direct cash assistance to school districts. While this is not a large source of revenue in Multnomah County, the link between timber revenue and schools has been established since the early 1900's. More recently, federal legislation was enacted (PL 106-393) in 2001 that established a "safety net" for counties that have historically been heavily reliant on timber revenue. This safety net guaranteed that counties received a specified level of funding each year based on average receipts prior to implementation of the Clinton administration's forest plan. Without these safety net payments, many school districts in Oregon would be much more heavily reliant on state and local revenue sources.

**Performance Measures**

Measure Type	Primary Measure	Previous Year Actual (FY05-06)	Current Year Purchased (FY06-07)	Current Year Estimate (FY06-07)	Next Year Offer (FY07-08)
Output		0	0	0	0
Outcome	Amount of County School Fund revenue passed through to Multnomah County Schools.	203,927	275,000	275,000	75,000

**Performance Measure - Description**

The County School Fund provides less than .0017% of the total revenue available to schools in Multnomah County. Arguably, this amount is not large enough to contribute meaningfully toward student academic achievement.

## Legal/Contractual Obligation

ORS 328.005-035 outlines the requirement to establish a County School Fund. The apportionment of revenue from the sale of timber on federal forest lands is described in ORS 294.060 which states "...moneys received by each county...shall be divided 75 percent to the road fund and 25 percent to the school fund of the county."

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
<b>Program Expenses</b>	2007	2007	2008	2008
Contracts	\$0	\$275,000	\$0	\$75,000
Subtotal: Direct Exps:	<b>\$0</b>	<b>\$275,000</b>	<b>\$0</b>	<b>\$75,000</b>
Administration	\$0	\$0	\$0	\$0
Program Support	\$0	\$0	\$0	\$0
Subtotal: Other Exps:	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Total GF/non-GF:	<b>\$0</b>	<b>\$275,000</b>	<b>\$0</b>	<b>\$75,000</b>
Program Total:	<b>\$275,000</b>		<b>\$75,000</b>	
Program FTE	0.00	0.00	0.00	0.00
<b>Program Revenues</b>				
Intergovernmental	\$0	\$14,000	\$0	\$75,000
Taxes	\$0	\$260,000	\$0	\$0
Other / Miscellaneous	\$0	\$1,000	\$0	\$0
Program Revenue for Admin	\$0	\$0	\$0	\$0
<b>Total Revenue:</b>	<b>\$0</b>	<b>\$275,000</b>	<b>\$0</b>	<b>\$75,000</b>

## Explanation of Revenues

25% of the revenue received from the statewide assessment of railroad cars apportioned to each county. Revenues have averaged \$15,000 - \$20,000 over the past several years.

## Significant Program Changes

**Last year this program was:** #10025, County School Fund

The current federal legislation (PL 106-393) that authorized funding for this program has lapsed, at at this time it is unclear whether or not funding will be restored. It is possible that this dedicated revenue source for schools will not be available to Multnomah County in FY 2008.