



THEODORE R. KULONGOSKI  
Governor

February 28, 2007

The Honorable Peter Courtney  
Senate President  
900 Court St. NE, S-203  
Salem, OR 97301

The Honorable Jeff Merkley  
Speaker of the House  
900 Court St. NE, H-269  
Salem, OR 97301

The Honorable Ted Ferrioli  
Oregon State Senate  
900 Court St. NE, S-223  
Salem, OR 97301

The Honorable Wayne Scott  
Oregon House of Representative  
900 Court St. NE, H-395  
Salem, OR 97301

Dear President Courtney, Speaker Merkley, Senator Ferrioli, and Representative Scott:

As you know, congressional failure to reauthorize the Secure Rural Schools and Community Self-Determination Act (PL 106-393) threatens many Oregon counties with devastating budget choices in the coming year. My office has maintained an open and continuing dialogue with county leadership with both the Association of Oregon Counties (AOC) and the Association of O & C Counties in attempting to work through this troublesome issue and I wanted to take this opportunity to further brief you on activities of my office and explore opportunities to work together in the coming weeks.

My office has pursued parallel strategies with respect to PL 106-393. The first has focused on reauthorization and has included such activities as promoting the passage of a resolution supporting reauthorization at the Western Governor's Association and National Governor's Association meetings. I have also engaged in many conversations with our congressional delegation and have written letters urging reauthorization to congressional leadership. Finally, I have called congressional leaders informing them of the dire consequences for Oregon if they fail to reauthorize the act and I will continue to work with our delegation for a reauthorization.

Prudence, however, must also guide our actions so I have asked state agencies to conduct an inventory of services delivered by each agency that may be affected by the loss of federal funds and specifically asked for an assessment of services now provided by counties that may be turned back to the state for delivery. Public safety, health and community services, transportation and assessment and taxation are some, but not all, areas that are at risk if reauthorization fails.

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With respect to education funding stemming from PL 106-393, I have already made the commitment to ensure that there will be no loss of funding to the K-12 system and recently committed to Oregon State University President, Ed Ray that I will support additional state funding to preserve Extension services now funded in part by the counties.

I have been impressed with the actions many counties have taken to date. Some have been reducing their workforces for two years or more, preparing for this critical time. Others have created reserves to help in funding crucial road services in the event of no reauthorization. Others have initiated or proposed new revenue plans to offset the loss of these federal funds and no county, to my knowledge, has asked for a state bailout... rather they have simply asked for state assistance in helping them help themselves.

More, however, remains to be done if we are to continue providing many important services in cooperation with our county partners. Now is the time to work together with local government and fully explore service delivery options, administrative flexibility and any other ideas which may mitigate the damage that will occur in the event the Congress fails to act. I look forward to working with you and Oregon counties in trying to resolve a problem not of our making.

Sincerely,



THEODORE R. KULONGOSKI  
Governor

TRK:mjc

c: Senator Betsy Johnson  
Senator Frank Morse  
Representative Bruce Hanna  
Representative Deborah Boone