



COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE
HARRISBURG

CHARLES B. ZOGBY
SECRETARY
OFFICE OF THE BUDGET

April 19, 2013

Sent via Email: asc_asr@fs.fed.us

Thomas L. Tidwell
Chief
United States Forest Service, Washington Office
United States Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Dear Mr. Tidwell:

Pennsylvania has received your letter dated March 19, 2013, addressed to the Honorable Tom Corbett, Governor of Pennsylvania. Governor Corbett has forwarded your letter to my office for review and response.

On March 1, 2013, the federal government implemented automatic budget cuts, commonly known as sequestration, pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Control Act of 2011. Your March 19 letter notified Pennsylvania that Secure Rural Schools Act monies (including funding programs authorized by Titles I, II and III of the Secure Rural Schools Act), 25 Percent Fund Payment, and Grasslands Program, are subject to a 5.1 percent reduction because of sequestration. USFS had already paid to Pennsylvania by March 1, 2013, all of the Titles I and III monies and 25 Percent Fund payments, which Pennsylvania counties are to receive for federal fiscal year 2012-13. USFS has not yet paid any Title II or Grassland Program monies to Pennsylvania.

Your March 19 letter further demands that Pennsylvania return those portions of the Titles I and III money and the 25 Percent Fund Payment that are subject to the 5.1 percent sequestration. The total amount demanded by USFS in connection with these programs is \$169,982.70. Pennsylvania disbursed the Titles I and III and 25 Percent Fund monies to eligible counties, and Pennsylvania therefore is no longer in possession of these funds.

In a letter dated April 4, 2013, Dan Crippen, Executive Director of the National Governors Association (NGA), asked USFS to provide NGA with legal justification and other information to support USFS's demand for repayment made in your March 19 letter. USFS has not responded to NGA as of April 18, 2013. In communication between NGA and USFS before April 4, 2013, USFS was unable to cite any legal justification to support its demand for the return of the Secure Rural Schools and other monies made

in your March 19 letter to Pennsylvania. Pennsylvania is not aware of any statute, regulation or court decision that would support the demands made by USFS in your March 19 letter.

Furthermore, your March 19 letter proposed a repayment scheme under which USFS would: retain all of the \$91,479.04 of unpaid Title II monies due to be paid to Pennsylvania; subtract \$4,665.43 from the \$91,479.04 to account for the 5.1 percent sequester applicable to Title II monies; and apply the remaining Title II balance of \$86,813.61 due to be paid to Pennsylvania as a partial repayment of the \$169,982.70 that USFS has demanded from Pennsylvania in connection with the sequestration of Titles I and III funds and 25 Percent Fund Payment.

It is Pennsylvania's understanding that Titles I, II and III, and the 25 Percent Fund, are each separate federal funding programs, projects or activities. USFS's proposed repayment scheme appears to be inconsistent with the requirements of the sequester legislation. Pennsylvania questions whether USFS has any legal basis for reducing Pennsylvania's Title II payment by more than 5.1 percent as a method of collecting part of the Titles I and III payments, and 25 Percent Fund Payments, made to Pennsylvania before March 1, 2013.

Therefore, the Commonwealth Pennsylvania declines to repay any of the \$169,982.70 demanded by USFS in your March 19 letter. If USFS has a legal basis or other explanation for the demand made by USFS, or the repayment scheme proposed in your March 19 letter, please send it to me for our review and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Charles B. Zogby', with a long horizontal flourish extending to the right.

Charles B. Zogby

cc: Peter J. Tartline
Brian D. Zweischer, Esq.
Dennis A. Whitaker, Esq.
John Guyer
David Harris