

FOR IMMEDIATE RELEASE Tuesday, January 14, 2014 <u>Permalink</u> CONTACT: <u>Press Office</u> 202-226-9019

Obama Admin: Rural Counties Still on the Hook to Repay SRS Funds used for Teachers, Police Officers

WASHINGTON, D.C. – During today's House Natural Resources Committee oversight hearing on the Obama Administration's decision to retroactively apply 2013 sequestration cuts to 2012 Secure Rural School (SRS) funds, the Obama Administration testified that states that have not repaid the funds may have them taken out of this year's payments.

On March 19, 2013, the Obama Administration announced, citing sequestration cuts, that it was requesting repayment of \$17.9 million in SRS funds that had already been distributed to states and counties. This action immediately sparked bipartisan opposition and <u>state</u> <u>governors</u> of both parties informed the Administration that they would not repay the funds due to the questionable legal authority.

Committee Chairman Doc Hastings (WA-04) asked Undersecretary for Natural Resources and Environment at the USDA Robert Bonnie if he could confirm that the Administration would not withhold this amount from the FY2013 payments that will soon be distributed. Mr. Bonnie said he "could not confirm" and noted that reducing it from upcoming payments is "on the table."

Mr. Bonnie did confirm the findings of the Majority staff <u>report</u> released today that the White House ordered the sequestration of the SRS funds – even though it had already been paid out – and USDA chose to apply sequester in a way that ensured all SRS states felt the pain.

"There should be no retribution towards states that didn't repay the fund, not one dime should be withheld. There is bipartisan agreement on the Committee for this position and it's concerning that the Administration refuses to listen to these bipartisan calls," **said Chairman Hastings.** "Counties depend on these funds to keep teachers in the classroom and police on the streets and they need certainty that SRS payments are not only coming, but that they won't retroactively be taken away. I'm appalled that the Obama Administration continues to play games with these funds, and cannot give rural communities any assurance that they will not endure further, politically motivated, cuts to schools, law enforcement, and emergency services.

"It's especially concerning since the Administration still refuses to turn over all documents and fully answer why the White House made the decision to retroactively apply the sequester against the judgment and counsel of USDA attorneys. I will do everything within the power of this Committee to get answers."

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