



## Committee on Natural Resources U.S. House of Representatives

Chairman Doc Hastings

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### **Committee to Hold Hearing on the Obama Admin's Decision to Retroactively Subject SRS Funds to Sequestration Cuts**

*Chairman Hastings invites Secretary Vilsack and Director Mathews Burwell to testify after failure to comply with subpoenas*

**WASHINGTON, D.C.** – House Natural Resources Committee Chairman Doc Hastings (WA-04) today invited Secretary of Agriculture Tom Vilsack and Office of Management and Budget Director Sylvia Mathews Burwell to testify at an [oversight hearing](#) on November 20, 2013 about the Obama Administration's decision to apply sequestration cuts to funds already paid to states under the Secure Rural School (SRS) program, which provides essential funding for teachers and police officers. This hearing comes after the U.S. Department of Agriculture (USDA) and the Office of Management and Budget (OMB) failed to fully comply with [subpoenas](#) for documents issued on September 4, 2013.

[Click here](#) for the invitation letters to Secretary Vilsack and Director Mathews Burwell.

*"The Obama Administration's decision to retroactively subject 2012 SRS funds already paid to states to the 2013 sequestration immediately sparked bipartisan opposition and raised questions about the legal authority to do so. This was another example of the Obama Administration going out of its ways to make the spending cuts 'painful as possible,' said **Chairman Hastings**. "The Administration failed to respond to the Committee's repeated request for documents, which resulted in subpoenas being issued. Yet still, the Administration refuses to fully comply. Answers and transparency are needed. If the Administration refuses to fully cooperate in providing documents, Secretary Vilsack and Director Mathews Burwell are invited to appear before the Committee and explain how and why the decision was made to sequester these funds and why they have failed to abide by Congressional subpoenas for information."*

**WHAT:** Full Committee oversight hearing entitled *"Oversight of the Obama Administration's Questionable Application of Sequestration to the Secure Rural Schools Program and the Costs to States, Local Economies, and Rural School Children."*

**WHEN:** Wednesday, November 20, 2013  
10:00AM

**WHERE:** 1324 Hearing Room in the Longworth House Office Building

## **Background**

Due to the continued inability of the federal government to manage National Forest lands and provide local communities with a meaningful share of revenues from timber receipts, Congress has approved SRS payments to provide rural counties with funds for teachers, schools, police officers, emergency services and infrastructure. The SRS program was extended through fiscal year 2012 as part of the “Moving Ahead for Progress in the 21st Century Act,” that was signed into law by President Obama on July 6, 2012. The Department of Agriculture distributed \$323 million to 41 states in accordance with that law in January of this year. On March 19, 2013 the Obama Administration [announced](#), citing the 2013 sequestration cuts, it was requesting repayment of \$17.9 million in SRS and 25% fund payments that had already been disbursed to states.

Thirty-one Members of Congress sent a bipartisan [letter](#) to the USDA and OMB requesting that the repayment be halted and asked for a detailed explanation of the legal authority for demanding repayment of the funds. [State Governors](#) of both parties also informed the Administration that they would not repay the funds due to the questionable legal authority.

On May 20, 2013, Chairman Hastings sent oversight letters to the [USDA](#) and [OMB](#) requesting documents and information on how this decision was reached and the legal authority. After receiving no response by the Committee’s June 3<sup>rd</sup> deadline, initial follow up [letters](#) were sent to the USDA and OMB on July 18<sup>th</sup>. Second follow up [letters](#) providing a final opportunity to comply voluntarily with the Committee’s document requests were sent on July 31<sup>st</sup>. The same day, at a Full Committee [markup](#), Chairman Hastings stated his plans to issue subpoenas if the Administration failed to respond in a timely manner.

On September 4, 2013 Chairman Hastings issued [subpoenas](#) to the USDA and OMB for documents. Since the September 18<sup>th</sup> subpoena deadline passed, the USDA produced 1049 pages of email communications and other documents, about 700 pages of which are copies of form letters. The OMB produced approximately 160 pages, consisting mostly of email communications between OMB and USDA and the Forest Service in January and February 2013.

The limited documents produced by the USDA and OMB raise significant questions about the rationale and legal authority behind the Obama Administration’s decision to sequester SRS money paid to states in January 2013. For example, internal emails show that the Forest Service notified OMB in February that, based on advice from the Office of General Counsel, money already paid to the states would not be subject to the sequester.

On November 5<sup>th</sup>, the Committee sent additional [letters](#) reiterating the Committee’s expectation of full compliance with the subpoenas and indicating the intention to hold an oversight hearing including testimony from Secretary Vilsack and Director Mathews Burwell.

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