

FY 2026 Forest Service Payment to States, Public Law 119-58

Election to Receive Payment

Election to Allocate State Payment

By August 1, 2026 (midnight, mountain time), please complete and return all pages of the election form to the U.S. Forest Service, Albuquerque Service Center, All Service Receipts (ASR) Section.

By email: sm.fs.asc_asr@usda.gov

A county's election to receive a payment and to allocate the State payment must be transmitted by the Governor's office or other appropriate executive office of the state such as State Treasurer, on behalf of the Governor. The Forest Service will not accept an election directly from a county or from any non-governmental organization acting on behalf of a county.

Election to Receive Payment

The State must transmit, for each county in which a national forest is situated, the county's election to receive a share of the Secure Rural Schools Act (SRS) State payment or a share of the State's 25-percent payment based on the 7-year rolling average annual receipts. The State may use the form to transmit county elections to the Forest Service. If the State fails to transmit a county's election by the deadline of August 1, 2026 (midnight, mountain time), the county will be considered to have elected to receive a share of the State payment (SRS).

Instructions for Submitting Elections

The PDF election form contains interactive features that require Adobe Acrobat Reader. Viewing this document in an email preview, web browser, or mobile viewer will not allow access to the form. Please download the file and open it in Adobe Acrobat Reader to unlock and complete the form.

In the election form (see attachment), each state and county name are already populated to assist in the preparation of the form. **Estimated payment amounts** for both SRS and 1908/25% payment amounts are also present to aid in the election between the two methods. These amounts are purely estimates and should not be used in a budget formulation at the State or County levels.

In the Payment Election column, a drop-down field exists for each county to select either to receive the State's 1908/25% PMT payment (the 7- year rolling average of national forest receipts) or a share of the Secure Rural Schools Act State payment select SRS. If the 1908/25% PMT is selected, then all other options for that county are locked out as there is no other information required. If a county that elects to receive a share of the Secure Rural Schools Act State payment, then further title allocations are required for the distribution of the payment. Rules governing the title allocations are mentioned below "Election to Allocate the State Payment" section. Those limitations are also hard coded into the election form to aid in the election process.

A second attachment is also available that displays each counties expired payment election and title allocation from the previous election. This report provides past historical election data that could aid in the current election process.

Election to Allocate the State Payment

Each county that elects to receive a share of the SRS State payment must make an additional election to allocate the State payment. The guidelines for making the allocation vary depending on the amount of the county share of the State payment.

- **\$100,000 or less. (Minor distribution)** An eligible county that elects to receive a share of the State payment that is \$100,000 or less (a minor distribution) may elect to use 100-percent of its share for public roads and schools under Title I. **A county that elects to receive a minor distribution must make an affirmative election to use the 100-percent of its share for Title I purposes.** In the alternative, the county may opt to allocate 15-percent to 20-percent of its share to Title II, Title III , or a combination of both. The total percentage allocated to Title II and Title III combined must be no less than 15-percent and no greater than 20-percent. The county also may opt to return its allocation, in whole or part, to the Federal Government.
- **\$100,001 to \$349,999 (Moderate distribution)** If the county share of the State payment is more than \$100,000 but less than \$350,000, the county must allocate 15-percent to 20- percent of its share to Title II, Title III, or a combination of both. The total percentage allocated to Title II and/or Title III must be no less than 15-percent and no greater than 20-percent. The county also may opt to return its allocation, in whole or part, to the Federal Government.
- **\$350,000 or greater (Major distribution)** If the county share of the State payment is \$350,000 or greater, the county must allocate 15-percent to 20-percent of its share to Title II, Title III, or a combination of both, except that the allocation for Title III projects may not exceed 7-percent. The total percentage allocated to Title II and Title III combined must be no less than 15-percent and no greater than 20-percent. The county also may opt to return its allocation, in whole or part, to the Federal Government.

To provide maximum flexibility, projects funded under Title II must be initiated (reviewed and recommended by a resource advisory committee) by September 30, 2028, and Title II funds must be obligated by September 30, 2029. In addition, projects funded under Title III must be initiated by September 30, 2028, and Title III funds must be obligated by September 30, 2029.

An eligible county's failure to make a payment election will result in a defaulted assignment to the State Payment (SRS) for that county. An eligible county's failure to elect to allocate its share of the State Payment (SRS) shall be considered to have elected to expend 80-percent of the share for public schools and roads. The remaining 20-percent will be available to the Forest Service to carry out projects in the eligible county to further the purposes of Title II.

For instructions on completing the election form, please view the attached written directions along with the accompanying training video link below.

<https://www.fs.usda.gov/working-with-us/secure-rural-schools/payments>