



File Code: 6570

Date: August 5, 2013

**CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

NUMBER: 7003 1010 0003 0637 3549

The Honorable Governor Jay Inslee
Governor of Washington
Olympia, WA 98504-0002

RECEIVED

AUG 08 2013

U.S. FOREST SERVICE

Re: Collection of Secure Rural Schools Sequestration Amounts

Dear Governor Inslee:

As you know, mandated spending reductions known as sequestration went into effect on March 1, 2013. The Forest Service was required to apply these reductions to all programs, projects, and activities (“PPA”) that were not specifically exempt by the Balanced Budget and Emergency Deficit Control Act of 1985 (“BBEDCA”), as amended by the Budget Control Act of 2011 (Pub. L. 112-25). Payments made under the Secure Rural Schools and Community Self-Determination Act of 2000 (“SRS Act”), as well as Special Act payments to your state, were not specifically exempt, and thus are subject to sequestration. We regret having to take this action, but must to ensure that the Forest Service meets the requirements of the BBEDCA.

Secure Rural Schools

The reductions apply to payments made before sequestration went into effect, as sequestration calculations are based on amounts for a “fiscal year” or “that year” (2 U.S.C. § 901a). On March 19, I sent you a letter that outlined steps that must be taken to comply with sequestration. Your state was given the option of having your SRS Act Title II funds reduced or being sent a bill for collection. We did not hear from you by April 19, 2013, as requested, so we are moving forward by reducing the allocation of Title II funding for Resource Advisory Committee (“RAC”)-recommended projects on the National Forests in your state.

The total amount of SRS sequestration for your state is \$1,284,308.35, which is \$1,024,515.99 (the sequestered amount for Titles I and III) plus \$259,792.36 (the sequestered amount for Title II). The total amount of Title II allocations reserved by counties in your state for this fiscal year is \$2,614,773.35. This amount is being reduced by \$1,284,308.35 to cover the full amount of sequestration, leaving \$1,330,465.00 for RAC-recommended projects on the National Forests in your state. Accordingly, you are not receiving a bill for collection for Secure Rural Schools.



Quinault Payments – As stated in the March 19 letter, the amount of sequestration for your state's Quinault payments is \$317.15. Accordingly, you owe the United States \$317.15. Enclosed are two copies of Bill Number 1800796345 for that amount. This amount is due 30 days from the issue date on the bill. Please enclose one copy of the bill with your payment and keep the second copy for your own records. Payment must be made in full via check or money order and sent to:

**US Forest Service
c/o Citibank
PO Box 301550
Los Angeles, CA 90030-1550**

Also enclosed is Attachment A the Federal Government's Notice of Indebtedness and Intent to Collect by Administrative Offset. The attachment includes information on additional actions you may take to pay the debt or to request an administrative review if you do not believe you owe this debt.

We regret having to take this action, but must ensure that the Forest Service treats every State fairly and meets the requirements of the BBEDCA. If you have questions or need additional information, please contact Thelma J. Strong, Chief Financial Officer, at (202) 205-0429.

Sincerely,



THOMAS L. TIDWELL
Chief

Enclosures (3)

FOREST SERVICE BILL
FOR COLLECTION

Doc. Date : 08/05/2013 PAGE: 1

ENCLOSE A COPY OF THIS BILL WITH YOUR CHECK OR MONEY ORDER. DO NOT SEND CASH. PLEASE INCLUDE BILL NO. AND CUSTOMER NUMBER ON YOUR CHECK OR ON YOUR ONLINE BILL PAYMENT. MAKE CHECK PAYABLE TO: FOREST SERVICE	MAIL PAYMENT TO: US Forest Service C/O Citibank P.O. Box 301550 Los Angeles CA 90030-1550 Or pay online at www.fs.fed.us/billpay
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TO: WASHINGTON STATE FED REV 0900 0500 TREAS 210-11TH AVE SW GA BLDG RM125 OLYMPIA WA 98504-0209 US	PAYER INDICATE AMOUNT ENCLOSED: <hr/> NET AMOUNT DUE : \$ 317.15 <hr/> DUE DATE: 09/05/13 <hr/> FMMI BILL NUMBER : 1800796345 <hr/> CUSTOMER NUMBER : 6007140
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REFERENCE CONTRACT/PERMIT/AGREEMENT NUMBER :	DESCRIPTION : FY2013 SEQUESTRATION FOR FY2012 PAYMENTS (5.1%)
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REMARKS : RE: ASR-SEQ-WA-QUINALT NOTE : PLEASE SEND ALL CORRESPONDENCE, INQUIRIES, AND CHANGE OF ADDRESS TO :	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">PRINCIPAL :</td> <td style="padding: 2px;">\$</td> <td style="padding: 2px; text-align: right;">317.15</td> </tr> <tr> <td style="padding: 2px;">INTEREST :</td> <td style="padding: 2px;">\$</td> <td style="padding: 2px; text-align: right;">0.00</td> </tr> <tr> <td style="padding: 2px;">ADMINISTRATIVE COST :</td> <td style="padding: 2px;">\$</td> <td style="padding: 2px; text-align: right;">0.00</td> </tr> <tr> <td style="padding: 2px;">PENALTY :</td> <td style="padding: 2px;">\$</td> <td style="padding: 2px; text-align: right;">0.00</td> </tr> <tr> <td style="padding: 2px;">AMOUNT DUE :</td> <td style="padding: 2px;">\$</td> <td style="padding: 2px; text-align: right;">317.15</td> </tr> <tr> <td style="padding: 2px;">AMOUNT CREDITED :</td> <td style="padding: 2px;">\$</td> <td style="padding: 2px; text-align: right;">0.00</td> </tr> <tr> <td style="padding: 2px;">NET AMOUNT DUE :</td> <td style="padding: 2px;">\$</td> <td style="padding: 2px; text-align: right;">317.15</td> </tr> </table>	PRINCIPAL :	\$	317.15	INTEREST :	\$	0.00	ADMINISTRATIVE COST :	\$	0.00	PENALTY :	\$	0.00	AMOUNT DUE :	\$	317.15	AMOUNT CREDITED :	\$	0.00	NET AMOUNT DUE :	\$	317.15
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FOR QUESTIONS AND INQUIRIES PLEASE CONTACT:

Jennifer McGuire 505-563-7162
jennifermcguire@fs.fed.us

LINE	LINE INFORMATION	AMOUNT
000001	STATE OF WASHINGTON - QUINALT (FS0000PSPS)	\$ 317.15

FOREST SERVICE BILL
FOR COLLECTION

Doc. Date : 08/05/2013 PAGE: 1

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 Jennifer McGuire 505-563-7162
jennifermcguire@fs.fed.us

LINE	LINE INFORMATION	AMOUNT
00001	STATE OF WASHINGTON - QUINAULT (FS0000PSPS)	\$ 317.15

Notice of Indebtedness to the U.S. Forest Service and Intent to Collect by Administrative Offset– Bill No. BD 1800796345

Basis of Indebtedness

Effective March 1, 2013, the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Control Act of 2011, mandated budget reductions totaling \$85 billion across the Federal government for fiscal year 2013. These mandated cuts, known as sequester, impact a number of Federal programs including the Quinault Special Management Area (Washington-Quinault Special Act) payments made to your State. Because payments were made to your State in fiscal year 2013, this letter outlines steps that must be taken to ensure the Federal government meets the mandated sequester before the end of the fiscal year.

Non-Centralized Administrative Offset

The Forest Service intends to collect the amount owed \$317.15 by offsetting the next payments from the Forest Service and the Department of Agriculture to your State after 30 days have elapsed from the date of this notice, as provided under 7 CFR 3.41 and 3.43. No interest or penalties will be assessed by the Forest Service. You have a right to inspect and copy the Forest Service records related to this debt. You must pay for copying costs.

To avoid offset from other Forest Service and Department of Agriculture payments to your State, you must take one of the three actions described below within 30 days from the date of this notice.

1. Pay your debt in full, as provided above.
2. Agree to a payment plan. If you are unable to pay your debt in full, you must contact Debt Management at 101 B Sun Avenue, Albuquerque, New Mexico 87109, or by telephone at 1-877-372-7248, to request a payment plan. You must sign, date, and return the payment plan agreement with the Forest Service, and make payments as required in the agreement.
3. Petition for administrative review. Pursuant to 7 CFR 3.62, you may petition for a hearing or documentary review of the Forest Service's determination that the debt exists and the amount of the debt. The petition for a hearing or documentary review must be received within 30 days of the date of this notice.

The petition must provide a sufficient rationale and sufficient evidence of why you believe all or part of the debt is not owed and why a review is necessary. The petition must include your name, address, telephone number, and signature. The petition should be sent to Debt Management at the address above.

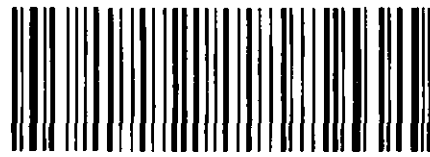
The Forest Service will inform you in writing of its decision regarding your petition. If after a hearing or documentary review, it is determined that the debt is still past due and legally enforceable and you do not take any of the other three actions above regarding



your debt, the Forest Service will proceed with administrative offset of the debt. The Forest Service will make every effort to complete its review and issue its determination prior to the end of the fiscal year. Should it become necessary, however, the Forest Service will initiate the offset prior to the conclusion of the administrative review. In that case, any amount found not to be due to the Forest Service will be refunded to the State promptly after the completion of the administrative review.

If you have any questions about this letter, please contact Debt Management at 1-877-372-7248.

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7003 1010 0003 0637 3549

USDA FOREST SERVICE CFO
1400 INDEPENDENCE AVE SW
MAILSTOP CODE 1148
WASHINGTON DC 20250

Official Business
Penalty for Private Use, \$300

FIRST CLASS MAIL

Honorable Governor Jay Inslee
Governor of Washington
PO Box 40002
Olympia WA 98504-0002

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